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HISTORY OF THE REORGANIZATION OF
UTAH'S STATE ADMINISTRATIVE
GOVERNMENT BY THE TWENTY-
FOURTH LEGISLATURE

DESMOND L. ANDERSON

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HISTORY OF THE REORGANIZATION OF
UTAH'S STATE ADMINISTRATIVE GOVERNMENT
BY THE TWENTY-FOURTH LEGISLATURE

by

Desmond L. Anderson

A thesis submitted in partial fulfillment of the requirements

for the degree of

Master of Science

in the

Department of Political Science

School of Commerce

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1950

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Desmond L. Anderson

1. THE LIFE OF WENDELL B. ANDERSON 1

2. EARLY YEARS 2

3. EDUCATION 3

4. PROFESSIONAL LIFE 4

5. PUBLIC SERVICE 5

6. PERSONAL LIFE 6

7. DEATH AND BURIAL 7

8. LEGACY 8

9. APPENDIX 9

10. BIBLIOGRAPHY 10

11. INDEX 11

12. LIST OF ILLUSTRATIONS 12

13. PREFACE 13

14. INTRODUCTION 14

15. CHAPTER I 15

16. CHAPTER II 16

17. CHAPTER III 17

18. CHAPTER IV 18

19. CHAPTER V 19

20. CHAPTER VI 20

21. CHAPTER VII 21

22. CHAPTER VIII 22

23. CHAPTER IX 23

24. CHAPTER X 24

25. CHAPTER XI 25

26. CHAPTER XII 26

27. CHAPTER XIII 27

28. CHAPTER XIV 28

29. CHAPTER XV 29

30. CHAPTER XVI 30

31. CHAPTER XVII 31

32. CHAPTER XVIII 32

33. CHAPTER XIX 33

34. CHAPTER XX 34

35. CHAPTER XXI 35

36. CHAPTER XXII 36

37. CHAPTER XXIII 37

38. CHAPTER XXIV 38

39. CHAPTER XXV 39

40. CHAPTER XXVI 40

41. CHAPTER XXVII 41

42. CHAPTER XXVIII 42

43. CHAPTER XXIX 43

44. CHAPTER XXX 44

45. CHAPTER XXXI 45

46. CHAPTER XXXII 46

47. CHAPTER XXXIII 47

48. CHAPTER XXXIV 48

49. CHAPTER XXXV 49

50. CHAPTER XXXVI 50

51. CHAPTER XXXVII 51

52. CHAPTER XXXVIII 52

53. CHAPTER XXXIX 53

54. CHAPTER XL 54

55. CHAPTER XLI 55

56. CHAPTER XLII 56

57. CHAPTER XLIII 57

58. CHAPTER XLIV 58

59. CHAPTER XLV 59

60. CHAPTER XLVI 60

61. CHAPTER XLVII 61

62. CHAPTER XLVIII 62

63. CHAPTER XLIX 63

64. CHAPTER L 64

65. CHAPTER LI 65

66. CHAPTER LII 66

67. CHAPTER LIII 67

68. CHAPTER LIV 68

69. CHAPTER LV 69

70. CHAPTER LVI 70

71. CHAPTER LVII 71

72. CHAPTER LVIII 72

73. CHAPTER LIX 73

74. CHAPTER LX 74

75. CHAPTER LXI 75

76. CHAPTER LXII 76

77. CHAPTER LXIII 77

78. CHAPTER LXIV 78

79. CHAPTER LXV 79

80. CHAPTER LXVI 80

81. CHAPTER LXVII 81

82. CHAPTER LXVIII 82

83. CHAPTER LXIX 83

84. CHAPTER LXX 84

85. CHAPTER LXXI 85

86. CHAPTER LXXII 86

87. CHAPTER LXXIII 87

88. CHAPTER LXXIV 88

89. CHAPTER LXXV 89

90. CHAPTER LXXVI 90

91. CHAPTER LXXVII 91

92. CHAPTER LXXVIII 92

93. CHAPTER LXXIX 93

94. CHAPTER LXXX 94

95. CHAPTER LXXXI 95

96. CHAPTER LXXXII 96

97. CHAPTER LXXXIII 97

98. CHAPTER LXXXIV 98

99. CHAPTER LXXXV 99

100. CHAPTER LXXXVI 100

101. CHAPTER LXXXVII 101

102. CHAPTER LXXXVIII 102

103. CHAPTER LXXXIX 103

104. CHAPTER LXXXX 104

105. CHAPTER LXXXXI 105

106. CHAPTER LXXXXII 106

107. CHAPTER LXXXXIII 107

108. CHAPTER LXXXXIV 108

109. CHAPTER LXXXXV 109

110. CHAPTER LXXXXVI 110

111. CHAPTER LXXXXVII 111

112. CHAPTER LXXXXVIII 112

113. CHAPTER LXXXXIX 113

114. CHAPTER LXXXXX 114

115. CHAPTER LXXXXXI 115

116. CHAPTER LXXXXXII 116

117. CHAPTER LXXXXXIII 117

118. CHAPTER LXXXXXIV 118

119. CHAPTER LXXXXXV 119

120. CHAPTER LXXXXXVI 120

121. CHAPTER LXXXXXVII 121

122. CHAPTER LXXXXXVIII 122

123. CHAPTER LXXXXXIX 123

124. CHAPTER LXXXXXX 124

125. CHAPTER LXXXXXXI 125

126. CHAPTER LXXXXXXII 126

127. CHAPTER LXXXXXXIII 127

128. CHAPTER LXXXXXXIV 128

129. CHAPTER LXXXXXXV 129

130. CHAPTER LXXXXXXVI 130

131. CHAPTER LXXXXXXVII 131

132. CHAPTER LXXXXXXVIII 132

133. CHAPTER LXXXXXXIX 133

134. CHAPTER LXXXXXXX 134

135. CHAPTER LXXXXXXXI 135

136. CHAPTER LXXXXXXXII 136

137. CHAPTER LXXXXXXXIII 137

138. CHAPTER LXXXXXXXIV 138

139. CHAPTER LXXXXXXXV 139

140. CHAPTER LXXXXXXXVI 140

141. CHAPTER LXXXXXXXVII 141

142. CHAPTER LXXXXXXXVIII 142

143. CHAPTER LXXXXXXXIX 143

144. CHAPTER LXXXXXXXI 144

145. CHAPTER LXXXXXXXII 145

146. CHAPTER LXXXXXXXIII 146

147. CHAPTER LXXXXXXXIV 147

148. CHAPTER LXXXXXXXV 148

149. CHAPTER LXXXXXXXVI 149

150. CHAPTER LXXXXXXXVII 150

151. CHAPTER LXXXXXXXVIII 151

152. CHAPTER LXXXXXXXIX 152

153. CHAPTER LXXXXXXXI 153

154. CHAPTER LXXXXXXXII 154

155. CHAPTER LXXXXXXXIII 155

156. CHAPTER LXXXXXXXIV 156

157. CHAPTER LXXXXXXXV 157

158. CHAPTER LXXXXXXXVI 158

159. CHAPTER LXXXXXXXVII 159

160. CHAPTER LXXXXXXXVIII 160

161. CHAPTER LXXXXXXXIX 161

162. CHAPTER LXXXXXXXI 162

163. CHAPTER LXXXXXXXII 163

164. CHAPTER LXXXXXXXIII 164

165. CHAPTER LXXXXXXXIV 165

166. CHAPTER LXXXXXXXV 166

167. CHAPTER LXXXXXXXVI 167

168. CHAPTER LXXXXXXXVII 168

169. CHAPTER LXXXXXXXVIII 169

170. CHAPTER LXXXXXXXIX 170

171. CHAPTER LXXXXXXXI 171

172. CHAPTER LXXXXXXXII 172

173. CHAPTER LXXXXXXXIII 173

174. CHAPTER LXXXXXXXIV 174

175. CHAPTER LXXXXXXXV 175

176. CHAPTER LXXXXXXXVI 176

177. CHAPTER LXXXXXXXVII 177

178. CHAPTER LXXXXXXXVIII 178

179. CHAPTER LXXXXXXXIX 179

180. CHAPTER LXXXXXXXI 180

181. CHAPTER LXXXXXXXII 181

182. CHAPTER LXXXXXXXIII 182

183. CHAPTER LXXXXXXXIV 183

184. CHAPTER LXXXXXXXV 184

185. CHAPTER LXXXXXXXVI 185

186. CHAPTER LXXXXXXXVII 186

187. CHAPTER LXXXXXXXVIII 187

188. CHAPTER LXXXXXXXIX 188

189. CHAPTER LXXXXXXXI 189

190. CHAPTER LXXXXXXXII 190

191. CHAPTER LXXXXXXXIII 191

192. CHAPTER LXXXXXXXIV 192

193. CHAPTER LXXXXXXXV 193

194. CHAPTER LXXXXXXXVI 194

195. CHAPTER LXXXXXXXVII 195

196. CHAPTER LXXXXXXXVIII 196

197. CHAPTER LXXXXXXXIX 197

198. CHAPTER LXXXXXXXI 198

199. CHAPTER LXXXXXXXII 199

200. CHAPTER LXXXXXXXIII 200

DEDICATED

To:

-----PROFESSOR WENDELL B. ANDERSON-----

who first suggested the topic for this study and who, under
 the loving guidance and inspiration of MOM and DAD, set an
 example of noble character and great aspirations for the
 two GIRLS and two BOYS who know him as our BIG BROTHER.

TABLE OF CONTENTS

CHAPTER	PAGE
I: <u>THE THESIS PROBLEM</u>	1
INTRODUCTION.....	1
<u>Governor's message</u>	1
<u>Controversy</u>	1
<u>Indications of controversy</u>	2
<u>Nature and scope of material</u>	4
<u>Importance and timeliness</u>	5
<u>Method of procedure</u>	5
II: <u>ADMINISTRATIVE REORGANIZATION IN AMERICA</u>	7
THE REORGANIZATION MOVEMENT.....	7
CAUSES OF REORGANIZATION.....	10
PURPOSES, LIMITATIONS, AND METHODS OF REORGANIZATION.....	11
<u>Purposes and limitations</u>	12
<u>Methods</u>	14
STATE ADMINISTRATIVE SYSTEMS WITHIN THE UNITED STATES....	15
<u>The highly integrated type with the short ballot</u>	16
<u>The highly integrated type with plural executives</u>	16
<u>Medium degree of integration type, with modern</u> <u>financial control act</u>	17
<u>Little degree of integration type, with executive</u> <u>cabinet</u>	17
<u>Little degree of integration type, with plural</u> <u>executives</u>	18
<u>Consolidation under control of ex-officio boards type</u> ...	18
<u>Consolidation under control of the executive council</u> <u>type</u>	18
<u>Combination type with Department of Local Government</u>	19
III: <u>THE NATURE OF THE UTAH SYSTEM PRIOR TO 1941</u>	20
COMMITTEE OF NINE ANALYSIS OF UTAH'S SYSTEM.....	20
NATURE OF UTAH SYSTEM OBSERVED BY DR. G. HOMER DURHAM....	28
NATURE OF UTAH'S SYSTEM REPORTED BY GOVERNOR MAW.....	31
IV: <u>REORGANIZATION RECOMMENDATIONS</u>	35
PROPOSALS OF THE COMMITTEE OF NINE.....	35
<u>Specific recommendations</u>	36
DURHAM'S PROPOSALS.....	44
GOVERNOR MAW'S SPECIFIC RECOMMENDATIONS.....	46
V: <u>THE REORGANIZATION IN LEGISLATIVE ENACTMENTS</u>	54
HOUSE BILL NUMBER 82.....	54
FIRST SPECIAL SESSION AND THE NUMEROUS REORGANIZATION	
BILLS.....	56
SECOND SPECIAL SESSION AND APPROPRIATIONS.....	57
THE ENACTED REORGANIZATION.....	60
VI: <u>POST-REORGANIZATION ENACTMENTS</u>	65
ACTION OF THE TWENTY-FIFTH LEGISLATURE.....	65
ACTION OF THE TWENTY-SIXTH LEGISLATURE.....	66
ACTION OF THE TWENTY-SEVENTH LEGISLATURE.....	68

TABLE OF CONTENTS (CONTINUED)

CHAPTER	PAGE
VII:	<u>VARIOUS APPRAISALS OF THE UTAH REORGANIZATION</u> 74 GOVERNOR MAW'S COMMITTEE ON INVESTIGATION OF THE REORGANIZATION PROGRAM..... 74 THE DEPARTMENT OF PUBLICITY AND INDUSTRIAL DEVELOPMENT CRITIQUE..... 79 DURHAM'S REPORT FOR THE TAX STUDY COMMITTEE..... 82 SCHLEICHER AND DURHAM TEXT..... 91
VIII:	<u>SUMMARY AND CONCLUSIONS</u> 93 SUMMARY..... 93 CONCLUSIONS..... 99 <u>Recognition of the leadership of the Governor</u> 101 <u>State-wide civil service</u> 107 <u>Extension of appropriations control and review by the Legislature</u> 109 <u>Adoption of a more inclusive planning agency</u> 116 <u>Elimination of legal restraints and encumbrances upon the Department of Finance by relieving the Board of Examiners of its duties by constitutional amendment and statute</u> 120 <u>Establishment of a compact Administrative Code</u> 121 <u>Suggestions for additional research</u> 122

REPORT OF THE GOVERNOR

1941

LIST OF TABLES

TABLE	PAGE
I: COMPARATIVE RECOMMENDATIONS OF COMMITTEE OF NINE, GOVERNOR MAY, AND DOCTOR DURHAM.....	51
II: GOVERNOR'S ACTION ON BILLS OF THE SPECIAL SESSION OF THE 1941 LEGISLATURE, Senate Bills.....	58
III: GOVERNOR'S ACTION ON BILLS OF THE SPECIAL SESSION OF THE 1941 LEGISLATURE, House Bills.....	59

LIST OF CHARTS

CHART	PAGE
I: ORGANIZATION CHART, EXECUTIVE BRANCH OF UTAH STATE GOVERN- MENT, 1936.....	21
II: UTAH STATE GOVERNMENT REORGANIZATION CHART 1941.....	61

CHAPTER I: THE THESIS PROBLEM

INTRODUCTION

Governor's message

In the evening of January 13, 1941, Herbert B. Haw, who was then beginning his first term as Governor of the state of Utah, addressed his first legislative message to a joint session of the 1941 Utah Legislature from the rostrum of the chamber of the House of Representatives. An overwhelming amount of the Governor's message was devoted to a multifaceted topic, the reorganization of Utah's state administration.

After extensively deploring state structural and political organization as it existed at that time, Governor Haw declared (17, p. 31):

The plan which I shall now propose is a product of the recommendations of the Committee of Nine created by the 1935 Legislature, the reorganization structure plans of several other states, and the recommendations of authorities in the field of political science.

Controversy

From the coincidence of Haw's gubernatorial tenure and the administrative reorganization a controversy has arisen, a controversy which blends the political personality of Governor Haw and the nature of the reorganization program. This intimate connection has imposed great difficulty upon any effort to distinguish the criticisms of one facet from the criticisms of the whole issue. Perhaps neither warrant all the criticisms which have been hurled. In relation to the reorganization program it is possible that the reorganization has not accomplished its purposes and that perhaps there is a mistaken understanding of the purposes and limitations of reorganization. In relation to Governor Haw it is possible that political friction has arisen because of personal animosities and that the antagonism for Governor Haw may have been associated with the reorganization program because it was

Maw who sponsored and nurtured the reorganization program through its enactment.

Indications of controversy

Although Maw has indicated that neither the report of the Committee of Mine nor any recommendations of political scientists were relied upon very heavily by him--that his reorganization recommendations were largely the product of his own personal research and thinking--the critical fact is that the Governor's action regarding reorganization has had and continues to have far-reaching ramifications.

A frequent criticism of the reorganization relates to the use of three-man commissions in preference to the single administrator in the various departments of government.* Governor Maw's legislative message proposed three-man commissions. However, the Governor has indicated on other occasions that he personally preferred the single administrator in all but the quasi-judicial agencies, but had recommended three-man commissions because of the wishes of the Legislature. W. R. White, erstwhile Speaker of the House of Representatives and a key legislator during enactment of the reorganization program, has stated the contrary view that the Legislature adopted the three-man commissions because of the Governor's wishes.

Indicative of the nature of the personal relationships between Governor Maw and his original political colleagues is the fact that many of his staunch supporters and appointees rejected him in subsequent political activities. Several of the Democratic candidates for Governor and other high party nominations in 1948 were people who had been embittered by Governor Maw and his activities.

*See Chapter VIII, page 102, infra.

The observation of a nationally prominent investigator-author is apropos here. John Gunther, in terse, bold statements, has written (R, p. 200) that

When Maw first became governor in 1940, he cleared house, and practically everybody attached to the previous ultraconservative Democratic administration got the sack. The joke was, "Everything was kicked out of the capitol but the statutory." Maw had two motives in this--first to install his own people, second to reorganize the apparatus of administration. But his reorganization was so drastic that at the end jobs were scarce even for his own men, and they too became aggrieved. Also the legislature became saddled with a permanent budget commission, set up in die as a kind of watchdog on Maw's plans. To this day, it is all but impossible to determine accurately whether his reforms have saved the state money or not, or how worth while they have been otherwise.

Maw, as a result of all this, is himself the chief political issue in the state; the only real cleavage is Maw or anti-Maw, and he is both extolled and hated almost as Roosevelt was.

On February 26, 1948, a United Press release from Salt Lake City ominously inquired (23) about the mysterious whereabouts of a printing bill for publishing a Department of Publicity and Industrial Development pamphlet which praised Governor Maw's reorganization program. The United Press story indicated that

The bill of \$900 which State Auditor Ferrell H. Adams has already refused to approve, though he hasn't gotten it yet, is missing. Finance commissioner Jerold Beesley said he hasn't seen it, and TID commissioner Rulon Howells says he doesn't know where the bill is.

The pamphlet which has aroused so much political furor praises highly the reorganization of state government under Maw. The laudatory phrasing says that Maw's finance commission plan has saved the taxpayers thousands of dollars and eliminated discrimination and favoritism.*

The attitude of Utah's electorate toward Governor Maw was demonstrated in the gubernatorial election of November 1948 when Maw received considerably fewer votes than other candidates of his party. He was

*See discussion in Chapter VII, page 79, infra.

4

the only one of his party to be defeated on the state and national level in Utah and was one of only two of his party's candidates for positions of governor within the United States who were defeated. There may have been a multiplicity of reasons for such an expression of the electorate's desire. Undoubtedly the apparent disapproval of the reorganization program motivated some voters; others rejected New because of certain of his personal characteristics and attributes; perhaps others were influenced by many of the business interests which New had fought and opposed while he was in the state Senate.

The above indications suggest a many-faceted controversy which was dominated by the intimate inter-relationship of Governor New's term of office and the enactment and operation of the reorganization program.

Nature and scope of material

This thesis is historical in nature inasmuch as it reviews documentary and related materials, both primary and secondary, in an effort to depict the story of Utah's state administrative reorganization in 1941 and its development. It should be understood at the outset that this is not a critique or appraisal of Governor New's administration—there is no attempt herein to separate and analyze the political issues of Governor New's incumbency. Rather, this is a history of a cause which he espoused, the reorganization of the state administration.

There are primarily two reasons why performance of government in a democracy may be ineffective and inefficient. Each may operate separately or conjointly. They are: (1) the electorate may have voted into office a person who could not properly perform administrative and executive functions because of inability, lack of integrity, or for

some other reasons; or (2) the structure of government may be inadequate to reflect the real processes of administration and it may be susceptible to graft and inefficient operation. Inasmuch as this study is a history of the reorganization and does not in any way purport nor intend to be an appraisal of the new administration, the difficulty of determining efficiency is apparent. Therefore, as criterion for analyzing the reorganization program, this study has employed the principles of administrative organization expounded by the political scientists, the authors of texts on public administration that have been available for this study. Investigation and analysis have also been made of the major studies available on the Utah problem, as well as pertinent data found in textbooks, newspaper reports, public documents and journals, the Utah statutes and Constitution, committee and departmental reports, independent surveys and analyses, etc. Some information has been garnered from letters and interviews with Utah government officials and observers.

Importance and timeliness

At a time when administrative metamorphosis continues not only in the United States in general but in Utah in particular it becomes important that the true picture of Utah's reorganization be painted so that weaknesses apparent through observation may be remedied.

Method of procedure

The study herein undertaken has proceeded along the following lines: (1) a determination of the nature of Utah's state administrative organization prior to 1941 and comparison with administrative systems of other states of the United States were undertaken in an effort to portray Utah's needs; (2) specific studies (by the Committee of Nine, New, Durham) were analyzed to determine the degree of unanimity among them relative

CHAPTER II: ADMINISTRATIVE REORGANIZATION IN AMERICA

THE REORGANIZATION MOVEMENT

Administrative reorganization within the United States is the culmination of considerable effort to apply efficiency methods to governmental operation and structure through extension of administrative authority of the chief executive, consolidation and integration of governmental units, and the application of budgetary and fiscal control methods. Originating near the beginning of this century, it has developed into an extensive movement of several related trends. The comparatively recent development of the movement is largely due to the traditional American skepticism of centralized authority in the form of the powerful chief executive--a primary influence on American systems of government for more than a century after the revolt from Great Britain.

Reform tendencies were first manifested in the efforts toward the establishment of a civil service system in the federal government, beginning with the Pendleton Act in 1883. Numerous federal acts relating to career personnel have since been passed. Because of the urging of President William Howard Taft large-scale administrative reorganization first became significant with the establishment by Congress of the Bureau of Efficiency in 1913. All succeeding presidents have demonstrated at least some degree of interest in organizational reform. The Budget and Accounting Act of 1921 enhanced executive control over the departmental system and set up an executive budget. An act passed but comparatively unused under President Hoover enabled President Franklin D. Roosevelt to become the most vigorous leader of administrative reform on the federal level. The basic recommendations of Roosevelt's Committee on Administrative Management, appointed in March 1936, became law in the Reorganization Act of 1939. Similar but more extensive legislation was enacted in the

Reorganization Act of 1945. These latter acts were permissive legislation which gave the President authority to reorganize administrative departments by executive order, subject to legislative veto within a period of sixty days. On July 7, 1947, the most recent step to further reorganize the Federal government was taken when Congress established the Commission on the Organization of the Executive Branch of the Government. Popularly known as the "Hoover" Commission, it comprised twelve members, four appointed by the President, four by the President pro tempore of the Senate, and four by the Speaker of the House. The various "task forces" of the Commission investigated such matters as the administration of foreign affairs, agriculture and natural resources, government medical services, the federal personnel system, federal-state relations, public welfare, public works, and the relations of the presidency to the legislative branch. The report and recommendations of the Commission are presently before Congress awaiting further action.

Another trend in the reorganization movement became manifest in municipal government where the process of simplification and consolidation got underway with the establishment of the New York Bureau of Municipal Research in 1906. The facts uncovered by that bureau through expository surveys enabled a reform administration to gain power in New York in 1914. The Bureau assisted other communities throughout the country through its system of surveys and recommendations. The National Municipal League, established in 1894, introduced its model city charter in 1899 which significantly made the mayor the actual head of city administration with power to appoint and control his subordinates. The commission plan of city government, coming into existence in Galveston at the time of the tidal wave in 1900, was the first advance which made possible reforms in city administration. It was followed subsequently by the strong-mayor

plan and the council-manager plan. Both drastically reduced the number of and integrated the operating units of city administration and made possible greater executive coordination and control. According to Ridley and Nolting (14, p. 532), approximately 600 cities now operate under the council-manager form of government and numerous other cities have strengthened executive control.

The educational sphere constitutes another field in which the administrative science movement has proved beneficial. In the American college and university system the board of trustees is the policy-making body of the institution while the president or chancellor is the chief administrative authority with the individual faculty members responsible to him through the heads of the departments and the various deans. Centralized budgetary and fiscal controls are usually another feature of the system. This is particularly true in public institutions. Likewise in the secondary public schools, the superintendents of schools are the principal administrative authorities with the local boards of education performing the policy-making functions.

On the level of state administrative reorganization more than half of the states had reorganized to some degree prior to the Utah reorganization in 1941. Illinois, the first state to actually reorganize, adopted a Civil Administrative Code under Governor Frank Lowden in 1917 which became the inspiration and model for state reorganization during the next twenty years. The Illinois reorganization was based upon a constitutional pattern proposed for New York in 1915 which was not accepted by the people of that state until the constitutional amendment passed in 1924. The New York and Illinois pattern conceived the governor as the central agent of administration, the head of a hierarchy over which he has broad powers of control. Most of the states of the United

States have now reorganized to some degree. Many of the states which had previously reorganized their state administrations have made further administrative changes. Virginia, which originally reorganized in 1927, continued to make minor administrative alterations of structure and in 1948 (16, p. 125) completely reorganized its departments and agencies. Through the Council of State Governments the various states have begun to make a practice of exchanging information and experience on all administrative problems.

CAUSES OF REORGANIZATION

The periodic reorganization of administrations reflects a wide diversity of considerations. Abuses of political power and structure were originally made possible because of the extreme democratic ideas and practices which Americans embraced before government became increasingly intricate. Deliberate abuses by irresponsible politicians and inadvertent blunders of well-intentioned but unqualified officials multiplied waste and inefficiency. The unsystematic addition of numerous administrative services and agencies without regard for integration with already established departments and subject to little or no hierarchical control accelerated and perpetuated inefficiency. Disclosure of such abuse and malpractice in every level of government--local, state, and federal--caused a demand for higher standards of official competence and more adequate safeguards of public finance and property. A more important factor which induced the great interest in governmental administration was the disproportionately heavier taxation resulting from inefficient administration as the cost of government increased with the addition of new functions. This trend has become accelerated during the past twenty years as costs of government have become increasingly greater because of additional demands for services and the necessity for more adequate

safeguards of democratic liberty and individual dignity. To alleviate the large tax burden the demand of citizens continues for more value from the tax dollar--a demand for increased efficiency in government in the reduction of waste.

Leonard D. White has succinctly stated (3, p. 181) his observations regarding the causes of reorganization:

A reorganization may be induced by change of leadership, because a new head can work more effectively with a different structure. It may be induced by changing programs, or by changing emphases. It may be required by internal management considerations. It may be caused merely by expansion or decline. It may be necessitated by changes in Federal-state relationships, or by changes in neighboring departments or agencies. It may follow from changing international obligations. Since duties, responsibilities, and relationships never cease to flow into new patterns, structure and organization can never be wholly at rest.

PURPOSES, LIMITATIONS, AND METHODS OF REORGANIZATION

Administrative organization is the mechanism of government in a democracy and democratic government, of necessity, must move to meet the changing demands upon it. In order to effectively meet such changing demands, the mechanism must be adequate. The experience of the federal government in meeting the necessity of frequent and continuing reorganization together with the experience of many of the states in finding periodic modifications of the structural mechanism necessary suggest that reorganization is a continuing aspect of American democracy. Such a phenomenon tends to substantiate the premise that government in a democratic state is government by evolution rather than by revolution; it suggests flexibility within a given sphere--adaptation to changing conditions, needs, trends, and circumstance within the framework of constitutional democracy. Ford P. Hall, et al. clearly stated (9, p. 322) that "...changes in administrative structure become necessary as subjects with which government deals and the environment in which it operates

change. The task of reorganization is, then, a continuing function."

White has set forth (30, p. 170) a similar view:

Reorganization seems to be a continuing aspect of American administration. This situation is not due merely to shifting political or administrative leadership, not to a restless love of change. It arises in part from the bald fact that for forty years administrative functions have steadily increased, the leadership of the executive branch has been progressively established, the magnitude of operations has multiplied, and the task of coordination has almost escaped performance.

Purposes and limitations

The foregoing discussion suggests that reorganization per se is not a panacea for all administrative shortcomings. Rather it is imperative to meet necessity with bold analysis and reform. It is frequently asserted that reorganization has a dual purpose: (1) to reduce the costs of government administration and (2) to increase the efficiency of democratic government. Relative to the first proposed purpose the Investigating Committee of Utah Governmental Units (hereinafter referred to as the Committee of Nine) reported (10, p. 68):

The savings possible by administrative reorganization have been greatly over-estimated. Great savings have been claimed by its proponents, but most state governments have been lucky to keep near the same level of expenditure, let alone lower it. In Virginia, where \$800,000 per year direct savings were claimed, governmental costs five years after a through-going [sic] reorganization of state administrative machinery were 20% higher as reflected in the total expense disbursements of the state than they were the year of the reorganization....

White likewise observed (30, p. 181) that "Reorganization is not a means of saving large sums of money; the principal method of reducing public expenditures is by eliminating or drastically reducing government functions."

Leiserson amplified this observation by stating (12, p. 32) that

Economy was not simply a matter of eliminating functions or services, most of which were ardently supported by citizen groups, but one of giving proper consideration to the specific question of whether particular expenditures were or were not justified.

Pointing out why large savings are impossible under reorganization the Committee of Nine listed (10 p. 68, 69) several reasons. Unless governmental functions are eliminated, which is contrary to a world-wide trend, little savings are possible merely by a re-shuffle of functions because it takes a certain minimum amount of labor to perform functions even though considerably better coordination is secured in the re-shuffle. Other reasons listed by the Committee which continue high cost of government are recurring expenses, fixed charges, expenditures by constitutional decree, continuing appropriations, dedicated credits, and other expenditures not subject to executive control and therefore not subject to executive reduction, public demand for increased services, failure of private industry and the necessity of government to care for unemployed, expansion in public works (roads, conservation, public buildings, etc.), and state assumption of local government functions. The Committee further pointed out (10 p. 69) that

...governmental costs have not been increasing by such wild leaps and bounds as much as the professional taxpayer's associations claim. If allowance is made for the expenditures for relief and capital outlays--both necessitated by the abdication of private industry--other governmental costs have increased very little, and in numerous cases have actually been declining.

It appears, then, that reduction of costs of government is of minimal importance as a legitimate purpose of reorganization. Leiserson has observed (12 p. 31) that for this reason research workers looked for principles of management in order to invite acceptance of administrative practices which advanced the purpose of the organization as a whole as compared with procedures which had developed for historic reasons or had been established by administrators not having the broad perspective of organizational objectives.

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The second frequently asserted purpose of reorganization is to promote efficiency in governmental administration. In view of the

reorganization tendency to increase executive authority, the desire for efficiency must not preclude the preservation of democratic liberties. Administrative reorganization must consider safeguards of freedom of expression and opportunity against those who would use such freedom to destroy or transform it. If the function of democratic administration is to reconcile and balance efficiency with the human values then it appears that the major purpose of reorganization is to increase efficiency in government while an underlying purpose is to promote justice and safeguard democratic liberties. Reorganization seeks an interrelation which best facilitates the coordination of human beings, programs, and interests, and which reflects a changing balance among them. It is a task in which the morale and working relationships are particularly significant. Structure, therefore, should be designed to facilitate operations and enhance results and may sometimes be an arrangement which mere logic would condemn. Better performance of administration rather than reduction in costs seems to be the keynote.

Methods

Legalistic mechanical methods of reorganization proceed in the form of constitutional amendment, statute, or executive orders permitted by enabling legislation. Federal reorganization is characterized by the latter while state reorganization ordinarily proceeds through constitutional amendment and statute.

Organizational methods of reorganization are the more important, however. Similar organizational methods have been characteristic of reorganization on all levels of government since the movement began a half-century ago. These methods, designed to promote efficiency and safeguard liberty, have generally increased the administrative authority and responsibility of the chief executive, and have simplified structure to permit effective evaluation of performance. These organizational

methods may be listed as follows: (1) concentration of responsibility and establishment of definite lines of hierarchal control by abolition of the plural executive through adoption of the short ballot and by consolidating functions into a small number of departments, each headed by a single official appointed by and responsible to the chief executive, who, in turn, is responsible to the electorate; (2) integration of services and functions by eliminating overlapping and by grouping agencies and activities according to major purpose; and (3) centralization of controls over finance, government purchasing, and personnel by providing for an executive budget and financial controls by inaugurating a thorough-going merit and personnel management system to insure trained and competent personnel to administer the functions.

STATE ADMINISTRATIVE SYSTEMS WITHIN THE UNITED STATES

In 1935 the Committee of Nine surveyed state administrative systems within the United States and reported their findings in conjunction with their study of the Utah administrative system and its needs. Inasmuch as virtually all such systems in effect today were in effect, with only slight modification if any, at the time of the Committee's survey there has been no attempt in this current research to duplicate the previous effort. Rather, an abstract of the previous survey is here presented. If more detailed information is desired the original discussion of the Committee (10, p. 24-38) will prove enlightening.

Eight types of administrative organization, with variations, comprise practically all the forty-eight state governments. They are all variations of the degree of consolidation of functional units and integration of power under a single or a plural executive. They range in types from an aggregation of numerous practically independent

establishments with little coordination outside the extra-legal control of the political party to the highly integrated form of administration under the authoritative control of the chief executive. Some use the highly integrated form. Others have compromised and struck a balance between efficiency and fear of power delegation. Others have frankly accepted the principle of the plural executive and take what degree of efficiency and responsibility they can get within the divided responsibility. No plan is the absolute panacea for any state.

The various state governments can be classified into eight major types.

The highly integrated type with the short ballot

An example of this type is Virginia, whose reorganization was initiated in 1926 and completed in 1928. Reorganization was accomplished by the passage of numerous amendments to the state constitution. The amendment creating the short ballot (eliminating the elective offices of secretary of state, treasurer, and superintendent of public instruction) was highly controversial and passed only by a small majority. Administrative agencies were consolidated into twelve major departments. Work was separated so that the head of each department possessed power, coupled with responsibility--power to enable him to do the work, and responsibility if it were not well done. The heads of the departments formed the cabinet of the governor. Departments were predominantly headed by single officers appointed by the governor. Savings were not very great. Authorities nevertheless consider Virginia's administration a model one.

The highly integrated type with plural executives

Tennessee, whose reorganization was effected in 1923, is an example of this type. Elective officials are the governor, secretary of state, attorney-general, treasurer, with a comptroller appointed by the legislature.

Administrative functions were consolidated into eight departments headed by eight single commissioners appointed by the governor. The Public Service Commission and the State University were independent of the eight departments. In commenting upon the Tennessee system, the Committee report stated (10, p. 31):

And this brings us to the bugaboo of those who are against strong executive control--that in the hands of bad men its results are very bad. To this it is sufficient to say that so are the results of any system whatsoever--with the difference that in the one case responsibility is easily fixed, in the other cases no one can be held directly responsible. Power with responsibility is probably to be preferred to power without responsibility.

Medium degree of integration type, with modern financial control act

Maine is representative of this type and was reorganized in 1931. This administrative organization is typical of several states which have a moderate degree of integration and executive control, such as Alabama, Iowa, and Ohio. The Financial and Budgetary Control Acts are very similar and are regarded as the most essential reform to enable the chief executive to effectively control the state administration.

Little degree of integration type, with executive cabinet

Reorganized in 1934, Kentucky is representative of this type. Functions are consolidated into seventeen departments with seven independent agencies. Reorganization created the executive cabinet consisting of the governor, secretary of state, attorney-general, highway commissioner, superintendent of public instruction, commissioner of agriculture, treasurer, chairman of the tax commission, adjutant-general, highway commissioner, commissioner of public welfare, insurance commissioner, commissioner of banking and securities, and an appointive secretary who is also secretary of the department of finances and budgetary control. The secretary's office was declared to be non-political and continuing in order to place at the disposal of the incoming administration the knowledge

and experience of the incumbent relative to the state's business policy and continuing program. He is a coordinator and advisor to the governor. He investigates departmental employees and may file complaints with the Executive Cabinet, which may discharge such employees by a majority vote. The Executive Cabinet correlates the various activities of the state in the absence of executive controls and departmental integration.

Little degree of integration type with plural executives

Utah's organization prior to 1941 was an example of this category as were most intermountain states. The Utah system will be described in great detail in another chapter of this thesis.

Consolidation under control of ex-officio boards type

Indiana, which passed the State Executive Administration Act in 1933, is an example of this type. The act created eight administrative divisions, each under an ex-officio Board of Control consisting of elective officials. Functions of government were transferred to the various departments by order of the governor alone. The governor is the sole judge of allocation of functions. Responsibility is extremely elusive except in the Executive Department where the governor is the single official. In the other seven departments ex-officio boards comprised of various elected executives are the ruling bodies.

Consolidation under control of the executive council type

Colorado, reorganized in 1933, is an example of this type. Functions were consolidated into six main departments, each under direction of one of the elected plural executives (governor, secretary of state, attorney-general, treasurer, auditor, and superintendent of public instruction). A miscellaneous and heterogeneous collection of functions was grouped in one department under the governor. No selective principle was used except

that all functions not patently those of law, education, finance and commerce, by reason of this elimination, must be the function of the Executive Department. A seventh division was created, called the Executive Council, which consisted of all the elective officers of the state and included under its control the Division of Budgets, Divisions of Accounts and Control, and Division of Purchases.

Combination type with Department of Local Government

North Carolina is the example. The Department of Local Government consists of the auditor, treasurer, commissioner of revenue, and six members appointed by the governor. It has supervision over local bond issues, budgets, and fiscal affairs generally. It is an attempt to correlate local fiscal affairs with the state. Localities may override adverse decisions by holding special elections.

The next chapter presents an analysis of the Utah system prior to 1941.

CHAPTER III: THE NATURE OF THE UTAH SYSTEM PRIOR TO 1941

The extent of the reorganization movement throughout the United States, the unanimity of the Legislature in enacting the reorganization program, and the election of those legislators by the voters of the state suggest that the majority of the people of the state desired reorganization of some kind. The first official governmental effort relating to state government reorganization in Utah was begun in 1935 when the Utah State Legislature established the notable Committee of Nine to investigate certain legislative problems. The report of this Committee (10), together with the study of Dr. C. Homer Durbin (2) and Governor Herbert B. Hav's message to the Legislature (17) in 1941 comprise the three major studies of Utah's specific needs and recommendations. The analyses of these three studies regarding Utah's needs will be considered in this chapter while their recommendations will be given consideration in the next chapter.

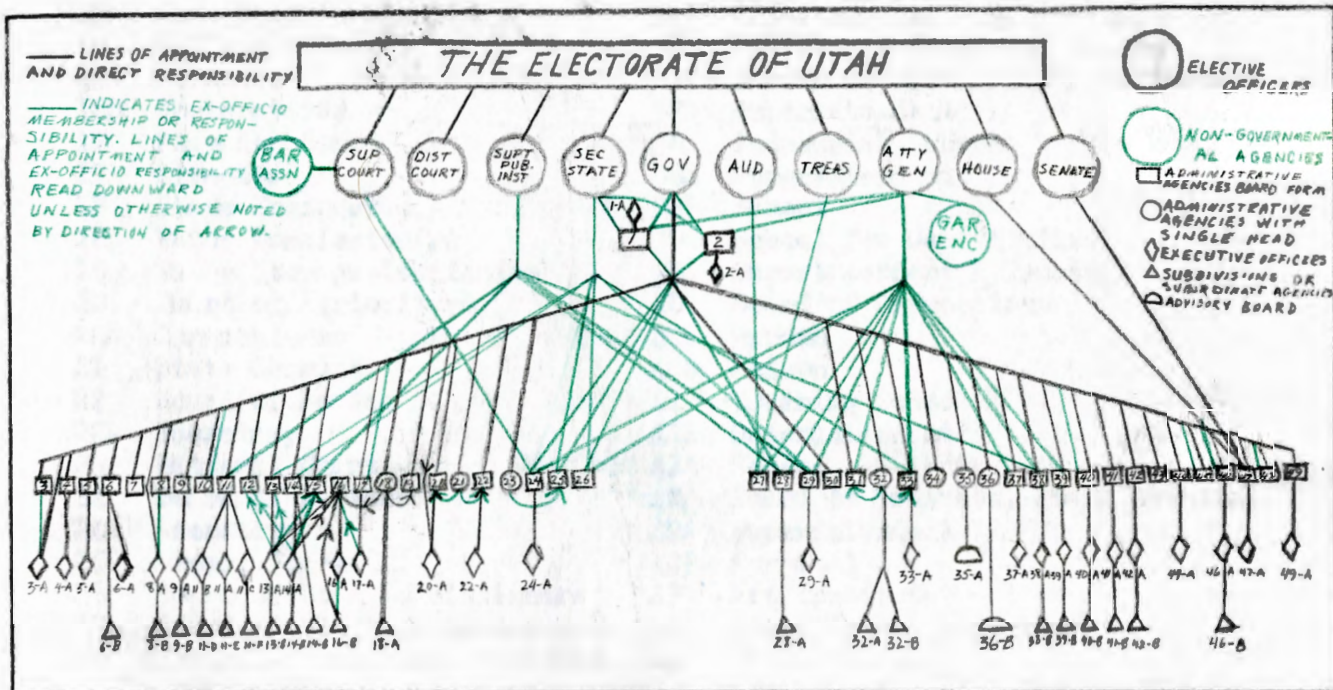
COMMITTEE OF NINE ANALYSIS OF NATURE OF UTAH'S SYSTEM

As a general observation, the Committee reported that Utah's government seemed to have been organized upon the theory that there is no principle in governmental organization but growth by accretion. New functions had been added haphazardly with no regard for functional relationship or coordination, rather than according to a logically reasoned plan.

The Committee discussed the functions of Utah's plural executives and the divided responsibility and authority for the state's administrative activities, which were governed primarily by numerous ex-officio boards. The following such boards were listed as requiring the membership and time of the various elected state executives: Board of Examiners, Board of Loan Commissioners, State Armory Board, Depository Board, Board

CHART I

ORGANIZATION CHART, EXECUTIVE BRANCH OF UTAH STATE GOVERNMENT, 1936



KEY

- | | | | |
|----|--|-------|--|
| 1 | Board of Supplies and Purchase | 8 | Liquor Control Board |
| 1A | Executive Secretary and Budget Director | 8A | Chairman |
| 2 | Board of Examiners | 8B | Liquor Stores |
| 2A | Secretary | 9 | State Fair |
| 3 | Land Board | 9A | Business Manager |
| 3A | Executive Secretary | 9B | State Fair |
| 4 | Historical Society | 10 | Public Service Commission |
| 4A | Secretary | 11 | Board of Education |
| 5 | Tax Commission | 11A | Snow College |
| 5A | Chairman | 11B | Weber College |
| 6 | Industrial Commission | 11C | Dixie College |
| 6A | Chairman | 11DEF | Presidents of Institutions |
| 6B | State Insurance Fund | 12 | Park Commission |
| | Fireman's Pension Fund | 13 | Board of Regents, University of Utah |
| | Combined Employment, Benefit, and Insurance Fund | 13A | President |
| | Unemployment Reserve Fund | 13B | University of Utah |
| | Miners' Hospital | 14 | Board of Trustees, Utah State Agricultural College |
| 7 | State Industrial Recovery Board | 14A | President, USAC |
| | | 14B | Utah State Agricultural College |
| | | 14C | Branch Agricultural College |

CHART I (CONTINUED)

KEY (CONTINUED)

15	Text Book Commission	36	Department of Registration
16	Self-Help Board	36B	Advisory & Examining Boards
16A	Director	37	Bureau of Criminal Identification
16B	Cooperatives	37A	Superintendent
17	Planning Board	38	Industrial School
17A	Director	38A	Superintendent
18	State Engineer	38B	School
18A	Water Commissioners	39	School for Deaf & Blind
19	Water Storage Commission	39A	Superintendent & Trustees
20	Board of Agriculture	40	Board of Corrections
20A	Commissioner	40A	Warden
21	State Chemist	40B	Prison
22	Board of Health	41	Training School
22A	Secretary	41A	Superintendent
23	National Guard	41B	School
24	Board of Pardons	42	Board of Trustees, State Hospital
24A	Secretary	42A	Superintendent
25	Armory Board	42B	Hospital
26	Board of Loan Commissioners	43	Art Institute
27	Board of Election Canvassers	44	State Road Commission
28	Juvenile Court and Probation Officers	44A	Chief Engineer
29	Teachers' Retirement Board	45	Great Resin Authority
29A	Secretary	46	Department of Public Welfare
30	Commission on Uniform Legislation	46A	Director
31	Depository Board	46B	County Boards of Public Welfare
32	Bank Commissioner	47	Committee of Nine
32A	Banking Division	47A	Director
32B	Building & Loan Division	48	Geological & Mineral Survey Board
33	Securities Commission	49	State Building Commission
34	Insurance Commissioner	49A	Superintendent of Construction
35	Fish & Game Commission		
35A	Board of Big Game Control & State Game Refuge Committee		

SOURCE: Committee of Nine Report

of Pardons, Board of Election Canvassers, Securities Commission, Juvenile Court and Probation Commission, Board of Supplies and Purchases, and Teachers Retirement Board. It was pointed out that memberships upon these various boards is a tremendous drain upon the time and energies of the elected executives. In conjunction with the ex-officio boards the numerous agencies, commissions, and departments of state were discussed, with overlapping authorities, functions, and responsibilities pointed out. The Committee observed (10, p. 21) that

The logic back of the creation of certain ex-officio boards in Utah is ...clear enough. It is an attempt to put the control of a certain governmental function under the supervision of the elective officials thought most competent to administer it by reason of training and experience, but by this means responsibility is diffused, execution is hindered.

The Committee analyzed in detail the functions of the small individual units of state government. It was pointed out that under the Governor's office there were no formal means of coordinating all the various functions of the state. In the discussion of the Attorney General's department the Committee criticized the employment of numerous private attorneys by the various state agencies rather than referring all legal business to that department. The organization of the Tax Commission under four non-partisan commissioners, two full-time and two part-time, received commendation from the Committee. It was considered wise and beneficial to have all revenue assessing and collecting functions centralized in one department. Relative to the Secretary of State's office, whose functions were mainly ministerial and custodial, the Committee said these functions could probably be handled better by the Attorney General's office, to which they are more germane, if it were not for the fact that if the office of Secretary of State were abolished a

Lieutenant-Governor would be needed in his place. The Committee reported (16, p. 40) that the Secretary's other functions,

...with the exception of membership on various ex-officio [sic] boards, hardly require the services of a man of such rank. The supervision and maintenance of the State Capitol could logically be supervised more efficiently by the State Road Commission's engineers, who are already responsible for the maintenance of the Capitol highways, than by the Secretary of State.

Financial and budgetary control in the state of Utah was the target for most of the criticism by the Committee and involved several different units of state government. Prior to 1941 there were primarily four agencies exercising financial and budgetary functions. If control of the deposit of State Funds, General Funds, and Road Bond Sinking Funds were included, the functions were divided among six agencies. They were divided among eight different agencies if control of Endowment Funds and Insurance and Unemployment Reserve Funds were included. The Committee report stated (20, p. 41):

Here are four separate agencies, three of which have overlapping functions; namely, the Auditor, the Budget Director (or the Board of Supplies and Purchase) and the Board of Examiners. Two of them are charged with post-auditing functions; namely, the State Auditor and the Board of Examiners, and all three of them pre-audit State expenditures. Even the Treasurer and the Auditor duplicate each others work to some extent, as they both keep warrant registers.

Pointing out why it is important to obtain good financial and budgetary control the Committee report stated that unity of administration and supervision of functions can be secured only by a control over both policy and expenditures. The Governor is responsible for both and it is physically impossible for him to exercise his control in person. Therefore he must do it through control of the department of finance.

Another financial weakness of the Utah system, according to the Committee, was the fact that Utah had never had a true executive budget--a

comprehensive plan of all revenues and expenditures for each of the two years of the biennium including current expenditures, special fund expenditures, and expenditures for capital outlays such as public works, bridges, and roads. In the words of the Committee (10, p. 42):

...Utah's budgets have barely included all requirements for current operating expenditures, and have never included a comprehensive work-plan for capital expenditures. It is admittedly difficult to work out comprehensive plans for the expenditure of large sums of money for roads and buildings, but it is not so difficult as to be made an excuse for leaving the lion's share of the tax dollar expenditure out of the budget, thus making its disbursement not subject to the same degree of executive [sic] control as the General Fund expenditures. Not only is it possible to lay out construction projects over two years in advance, it is highly desirable to plan such work in this way, as it tends to enforce long-range planning and development of our State.

The fact that the State budget is little more than a current operating budget of the General Fund is of course well known.

The Committee indicated that most authorities on government finance agree that most special funds are undesirable from the standpoint of budgetary control. At the time of the report Utah had over 109 special funds, about 44 of which were expendable funds. A comparison was made by the Committee (10, p. 44) regarding special funds:

Massachusetts has gone the furthest in the elimination of special expendable funds. All its resources are concentrated into three funds, the General Fund, which comprises about 72% of all State money, the Highway Fund, about 22%, and the Metropolitan Districts Commission Fund, comprising about 6%. New York's expenditures for the past 10 years have averaged 84% from the General Fund, 15% from the proceeds of bond issues (capital funds) and about 1% from all other current funds. This situation is the exact opposite of the situation which prevails in Utah and most of the intermountain states, where the bulk of expenditures is from special funds.

The Committee described special funds as a survival from pre-budget days as a device to obtain some degree of the control of expenditures which is now obtained in a much more flexible manner by the modern budget. Special funds are essentially restrictions upon the expenditure of the revenues but they eliminate deliberation and consideration of present

needs. At one time there was a real need for special expendable funds to insure some consideration of various governmental functions, but today they are anachronisms, since modern budgetary control provides the thing they were supposed to provide, in a much more adaptable and controllable manner. Special funds are outmoded, complicate the financial set-up, and should be reduced to a minimum.

Relative to the State Auditor, the Committee observed that because of the press of detail and accounting work, Utah's Auditor has not in the past been able to keep up-to-date in his audits. An anomaly of the Utah Auditor's position is that he audits his own accounts. In states which have financial and budgetary control acts the auditor is an independent auditing agent and nothing else. He keeps no accounts and spends all his time in a continuous post-audit of the accounts of all agencies in which the state has an interest, including the counties, and in some cases, the cities. In such states the auditor is responsible to the legislature and is required to report to the governor and the legislature both annual reports and individual audit reports. Such was not the nature of the Utah Auditor's office according to the Committee of Nine.

In regard to the Industrial Commission and the Public Service Commission, the Committee observed that the makeup of both commissions is similar to that of most states, and, inasmuch as they are both independent regulatory commissions, it is best not to subordinate them to executive control. Boards of commissioners were described as the best type organization for them inasmuch as they perform quasi-judicial and quasi-legislative acts.

Pointing out that most of the criticism of the Fish and Game Commission was based on the idea that the Commission took too proprietary

an attitude toward its revenues, the Committee of Nine indicated that such was a matter for executive control inasmuch as the Department is directly responsible to the Governor.

In its discussion of higher education the Committee of Nine stated that it was not possible for either the Legislature or the administration to settle administrative problems of higher educational institutions with either economy or wisdom and if they could it would not be desirable because such institutions should be kept free from political control. The desirable amount of control is possible through the comprehensive budget, but the universities should be given considerable latitude concerning expenditure of funds since this can best be done by men thoroughly conversant with the relative importance of educational functions.

The Committee reported that the Department of Agriculture had a complicated system of revenue sources and collections which made control and accounting difficult.

Relative to charities, hospitals, and corrections, the Committee reported (ID, p. 61):

Taking the groups as a whole, Utah's costs for charities, hospitals and corrections are lower than those of any state we have studied where figures were available, both by the percentage of total expenditure disbursed for this group-function, by inmate per-capita cost, and by state per-capita cost.

Whether this is due to unusual management or plain parsimony, we do not know, but the fact remains....Utah has the distinction of being one of about three states in the Union without some centralized control of the management of State institutions.

Of the Utah State Road Commission, the Committee said it was organized on conventional lines with three commissioners because of fear of delegation of too much power to one man. Because the Road Commission controls such large funds and so much patronage it is ideal for building a political machine if under the control of one man, according to the skeptics of the single head type organization. The Utah Commission is

more independent from the Governor than are those in most states because of overlapping six year terms of appointment of the commissioners. The increasing cost of maintenance and construction of roads was attributed to wages and hours laws, increasing cost of equipment and supplies, and increasing amount of maintenance and construction. The partial budget system of the Road Commission, which budgeted less than two per cent of its total funds at that time was severely criticized.

The Committee noted the State Planning Board which was composed of the Governor and six appointive members who served without pay. The Board appointed its director and hired assistants. Its main function was the preparation of plans for the best material, social, and economic development of the state and for the welfare of citizens. Principal criticism was that planning in the state was not coordinated and well provided for.

The Bureau of Criminal Identification and Investigation, which exists in a minority of states was mentioned and described as another separate agency not properly grouped with other agencies.

There was no critical analysis of the nature of the remaining state agencies by the Committee of Nine.

NATURE OF UTAH SYSTEM OBSERVED BY DR. G. HOMER DURHAM

Noting the gargantuan unrelated growth of number and type of agencies in Utah, Durham wrote (2, p. 16):

...there are in the neighborhood of 120 distinct state offices, bureaus, agencies, boards or commissions, each functioning more or less independently....Instead of fitting nicely into seven or eight major departments, the maximum grouping of these agencies under existing overlapping controls leaves fifty or sixty "departments". Coordination under such conditions, even were the Governor's office provided with administrative authority, is virtually impossible...the drain on the Governor's time and energies due to his membership on a score or more of boards and commissions is tremendous. An archaic feature of Utah State Government is the numerous

ex-officio boards which exist, demanding the services of all the "plural" executives as well as the Governor....To cap the climax, there are at least twelve primary ways...legalized by statute, by which persons may gain entrance to the more than 2500 available positions in the state service. These range all the way from appointment by the Governor with consent of the Senate, to appointments by various commissions, by the Supreme Court, by district judges, and other elected officials....The result is internal anarchy....

The multiplicity of ways in which persons may gain appointment to state positions multiplies friction and lack of cooperation in single unit government inasmuch as the administrative government officials are not then responsible to the principal elected administrator, the Governor. This condition causes independence and irresponsibility by the various appointees.

To fix responsibility in state government, authority must be commensurate with responsibility. Such an arrangement would make the Governor accountable for every act of state administration. According to Durham (2, p,6) "The organization of the State of Utah does not permit this at the present time. Organs of administrative management are notable by their conspicuous absence." The Governor of Utah had no control over those in whom the administration of the laws was vested.

Pointing up the weakness inherent in the nature of the structure of Utah government, Durham cited the plural executive which, as provided by the Utah Constitution* includes the Governor, the Secretary of State, State Auditor, State Treasurer, Attorney General, and the Superintendent of Public Instruction. Each of these executive officers is elected equally by the people of the state and none is responsible to another.

* Article VII, Section 1.

Durham reiterated the need for a true executive budget and financial responsibility. Describing it as a necessity for reorganization in Utah he wrote (2, p. 10):

Chapter 87-2-7 of the Revised Statutes provides: "Within twenty days after the convening of the state legislature in regular session, the governor shall submit a budget for the ensuing two years. Such a budget shall contain a complete plan of proposed expenditures and his estimated revenues for the ensuing biennium". For 1939-41 this document listed proposed expenditures totaling \$8,634,174.80, of which \$7,076,546.91 was for General Fund and \$1,557,627.89 for Special Fund accounts. This plan submitted is doubtless "complete" within the meaning of the statute, but it is far from complete as a true budgetary plan. This is seen clearly by the fact that, as reported in the Salt Lake City papers July 7, 1940, by the chief accountant in the State Auditor's office, total disbursements during the single fiscal year 1939 amounted to \$26,682,153.90--or many times the figure contained in the budget (eight million plus) for two years!

Pertinent to the above point, Durham observed that the state had only a partial budget system, with some departments budgeted while others operated on or used special funds which they disbursed for part of their maintenance expenses instead of their budgeted money. The Legislature cannot operate as a democratic organ when seventy-five to eighty-five per cent of all available revenues are earmarked as special funds, as in Utah. In general terms, Durham listed (2, p. 12) the weaknesses of the Utah system of budget and finance as: (1) no agency equipped as a staff aid for budget purposes; (2) the Governor is empowered to make revisions in estimates forwarded to him, but the estimates represent only a fraction of the total state expenditures; (3) the Legislature's control of the administrative pattern of the state is also limited by the fractional factor, as well as being vulnerable to pressures from agencies who enjoy or want to enjoy the privileges of special funds; (4) the Utah Constitution* grants to the Governor use of the item veto

*Article VII, Section 8.

but this power is insignificant in the absence of a fuller measure of financial oversight on the Governor's part in controlling state expenditures; (5) executive supervision of expenditures is non-existent due to lack of a centralized finance department and due to overlapping functions in the plural executive system; (6) treasury management is under the direction of an elected official which may not guarantee efficiency or coordination with financial operations; (7) Utah has neither a controller nor auditor in the best sense of government practice inasmuch as the State Auditor has responsibility for auditing his own accounts and he also shares with the Board of Supplies and Purchase the functions of a controller; and (8) the staff of the Board of Supplies and Purchase cannot adequately function as a research agency with its otherwise great load.

In summation on budgetary problems most of the financial inadequacies could have been attributed to the lack of control by the Governor and the Legislature over a true over-all state budget instead of one extremely limited in scope.

The lack of an adequate civil service system within Utah's governmental structure was the object of considerable criticism by Durham. He also observed that there was no agency charged with the task of administrative research within the state government.

NATURE OF UTAH'S SYSTEM REPORTED BY GOVERNOR MAW

In his initial message to the 1941 Legislature, Governor Maw said (47 p. 23) that he realized that it became his duty "...to request you to solve problems and make reforms which will require greater courage and clearer thinking than has been expected of any other legislature of our state." He was clearly sounding the call to cooperation on passage of the recommended reorganization program. The Governor then launched

an extensive critical attack on the existent organization of the state government.

After extolling the financial condition of the state, as projected by his predecessor in office, Henry H. Blood, Governor Maw countered (17, p. 25):

Having told you that the credit of our State is exceptionally good and that there is no need for additional revenues to maintain the present program, I now declare to you, even at the risk of appearing inconsistent, that the financial position of the government is very poor. I base this declaration on my belief that the financial structure of no state is sound, no matter how well that state is able to meet its fiscal obligations, so long as the cost of maintaining the state is too great....We have more government than we can afford to maintain.

In categorical fashion, Governor Maw then outlined (17, p. 26) how the government of Utah had become an octopus of waste and inefficiency.

Most of the objectionable features of past administrations can, I believe, be traced to the features I shall now discuss. These sum themselves up to the followings: (1) It has been the past policy of legislatures to create new departments and commissions and to provide for their organization without making adequate investigation and without having accurate information as to what sort of organization plan will provide the most efficiency; (2) Commissions, departments, and institutions have been permitted to grow and expand without appreciable legislative or executive control or guidance; (3) They have been financed without adequate legislative or executive investigation of their financial needs; (4) They have been permitted to operate as independent units of government without inter-department coordination or proper legislative or executive supervision.

After indicating that the state government had grown until the original divisions defined in the Constitution had increased until well over a hundred institutions, commissions, and organizations would submit separate budget requests for funds to carry on several activities, the Governor said (17, p. 27):

My investigations have convinced me:

A. That there are too many administrative divisions of our State government, and too many administrative officers. In fact the business of the State is spread over so wide a field and is

supervised by so many executives that many of the commissioners and department heads do not have enough work to justify a continuation of the offices as now set up.

B. That because of a complete lack of supervision over department activities and functions there is a considerable duplication of services which is resulting in thousands of dollars of unnecessary expenditures each month....

C. Several of the boards, commissions and divisions created through past legislative authority are now rendering insufficient services to justify their existence and should, therefore, be consolidated or possibly abolished.

The Governor then launched into a discussion of state financing methods with the core of his discussion being that the department or organization which puts on the most convincing lobby is the one which ordinarily gets the most desirable appropriation. On the point of budgetary decisions the Governor said (17, p.28, 29):

According to the State Budget Officer, no careful or systematic investigation of actual department needs has never [sic] been made by the budget department as a guide for the Governor. The legislature has never provided revenues for such an investigation. Consequently, when the Governor recommends a reduction of the department requests he of a necessity does so arbitrarily, in order to bring his recommendations within the estimated revenues....The whole procedure is a hit and miss one--one that is resulting in astounding sums of unnecessary expenditures.

The Governor pointed out that the sum of money which the Legislature would normally appropriate from the General Fund for the next biennium would amount to approximately \$8,000,000, or less than twenty-five per cent of the sum which would actually be spent by the various commissions and departments of the state during the same period and less than ten per cent of the total amount ordinarily spent each biennium by all government in Utah. He told the legislators that (17, p. 30, 31)

More than \$30,000,000 from State funds in excess of what you appropriate from the general fund will be disposed of by the state departments who are not required by law to depend on this legislature for these revenues and over which this legislature would ordinarily exercise no control. The funds I refer to include the

CHAPTER IV: REORGANIZATION RECOMMENDATIONS

It is frequently asserted that reorganization itself is no guarantee of good government. But the point to bear in mind in this regard is that an unwieldy and incomprehensible governmental structure seriously handicaps even the best administrative officials and sometimes precludes their proper performance of responsibility. Neither can the public administrator properly perform his duty if an uncooperative attitude exists among other public servants within the same governmental structure. In the latter respect, structure can be so organized as to permit appointment by the responsible authority of officials who will cooperate, within the realm of constitutional and legislative authority, in the administration of the program or activity of a particular department.

PROPOSALS OF THE COMMITTEE OF NINE

Although many people yearn for a government of laws, not of men, in the last analysis we do have a government of men and the wisest thing to do would be to create a government of responsible men. This has been the purpose of the centralizing tendency in government which accepts the fact that there is no practical means of correlating the functions of government other than by means of a strong, responsible executive. The centralizing tendency accepts the fact that there is no possibility of stemming the tide of waste of tax money other than by centralization of fiscal and budgetary controls, by the coordinated work-program, and by the undivided executive responsibility. These provide the mechanism through which an executive with the will to do so may provide an efficient and economical administration. To achieve these ends there must be a definite centralization of power and responsibility in the governor. This is the keystone of intelligent coordination and control of the numerous activities of a modern state, particularly with reference to

executive control of state expenditures. To become effective, the principle of hierarchy or subordination of authority must be employed.

To rectify the evil of ex-officio boards the Committee of Nine suggested (10, p. 21) making such governmental functions

...the direct responsibility of some one official, either elective, or appointed by and responsible to the Governor; and then in case this function involves the exercise of great deliberation or of special knowledge, to create an unpaid advisory board selected from the most qualified of the state citizenry, to give this administrator the benefit of its special knowledge and training, in an advisory capacity only.

Specific recommendations

The Committee of Nine suggested three possible plans for coordinating governmental functions through the chief executive which could be adopted for use in Utah: (1) highly integrated administrative organization, with stringent executive control of administrative units, through constitutional amendments; (2) moderate degree of centralized control and integration of function through modern financial budgetary control and subordination of the plural executives; and (3) some degree of centralized control through a modern financial and budgetary control act with acceptance of the plural executive principle. In recommending a type for Utah, the Committee suggested political expediency in rejecting (pp. 71) the highly integrated plan:

...the difficulty and delay incident to its adoption, and its questionable advantages over the more moderate plans for a small state like Utah, the necessity for the short-ballot amendment, doing away with the elective Secretary of State, Auditor, Treasurer, and Superintendent of Public Instruction before its adoption in its most extreme form is possible, plus the large amount of sentiment that usually develops against the delegation of so much power to the Governor, makes it doubtful whether this plan would readily be adopted by the people of Utah.

The third plan, which would mean the same financial organization as outlined in the second plan and which would place administrative

departments under control of ex-officio boards consisting of the elective officers of the state (like the Colorado reorganization plan) was rejected (p. 71, 72) by the Committee because it "...is a repudiation of the principle of centralized responsibility, and integration of function, and is a frank acceptance of the principle of the plural executive."

The plan of setting up a moderate degree of centralized control and integration of functions (similar to the plans of Massachusetts, Maine, and Iowa) is the type considered by the Committee of Nine as most adaptable to Utah's needs. It does not involve extreme concentration of power nor constitutional amendments, but would mean reorganization of financial and budgetary control machinery with the elective officials retained but subordinated to the Governor. This would give the Governor control where control is important, and yet leave the departments a large degree of freedom. The departmental outline of the proposed plan follows in the remainder of this section.

An Executive Department was proposed, under the leadership of the Governor, including the Executive Chamber, National Guard, and the Highway Patrol. It was recommended that the Highway Patrol and National Guard, as the chief law enforcement agencies of the state, be placed directly in the Executive Department under the Governor as had been done in several state reorganizations. It was further recommended that the Governor be relieved of membership on most ex-officio boards, most of which should be abolished and their functions delegated to the department to which they are most relevant.

It was proposed that a Department of Law be created, under the Attorney General, to include the Attorney General's division and the Bureau of Criminal Identification. All state legal functions should be centralized in and cleared through this department. All private attorneys of the various state functions and departments to be employed through and

to work in cooperation with the Attorney General's office.

The Committee recommended that all financial and budgetary control be placed directly under the Governor through the agency of a new Department of Finance, headed by an appointive State Comptroller. It was proposed that the Department included a Division of Finance and Control, Division of Purchasing and Personnel, Division of Budget, Division of Treasury, and a Division of Investments. Each division, except the Division of Treasury, should be headed by the State Comptroller or a head appointed by him. The Division of Treasury would be headed by the elective Treasurer.* In conjunction with the proposed organizational arrangement it was recommended that a true comprehensive budget, including all revenues and all expenditures, be set up for the State of Utah. The proposed budget would include all current and special funds and all outlay for capital expenditure, such as roads, bridges and buildings, for both years of the biennium. It was further recommended that investment of all state Sinking Funds, Endowment, and Insurance Bonds be centralized in the Division of Investments, under the supervision of the Comptroller and an advisory Board of State Investments, consisting of representatives of the departments having a direct financial interest and leading citizens engaged in banking and industry. It was suggested that the State Depository Board functions be delegated to the Division of Investments. In regard to the elective Auditor's and Treasurer's relation to the financial activities of the state the Committee of Nine observed (10, p. 47):

The Constitution says: "The Auditor shall be Auditor of Public Accounts, and the Treasurer shall be the custodian of public moneys,

*The impropriety of perpetuating the six elective state offices is apparent at this point inasmuch as the suggested arrangement would subordinate an elective state officer, the Treasurer, to an appointive head of a department, the State Comptroller.

and each shall perform such other duties as may be provided by law." It would be a simple matter to delegate all active accounting and financial control to the State Comptroller, and make the Auditor the Auditor of Public Accounts in fact, and leave the Treasurer the custodian of public moneys, as there is no apparent gain in simplicity or efficiency in putting the treasury functions under the supervision of the Comptroller.

With all pre-auditing concentrated under the State Comptroller, as well as the functions of the Board of Supplies and Purchase and the State Budget Director, the Board of Examiners could well be eliminated, as the independent auditor would be sufficient check upon the administration and the accounts of the Comptroller. As it is at present constituted, it seems to be mainly a validating agency for the acts of the Auditor and the Board of Supplies and Purchase.

It is significant to note the suggested abolition of the Board of Examiners because of the redundant nature of its activities.

It was recommended that the State Tax Commission remain a four-man appointive commission preferably organized into divisions, each the responsibility of a commissioner.

It was recommended that a new Department of Business Control supplant and take over the functions of the Bank Commissioner, Insurance Commission, and the Securities Commission and be headed by a single commissioner appointed by the Governor. It would include a Division of Banking, Division of Building and Loan, Division of Insurance, and a Division of Securities, with the commissioner to serve as head of the Divisions of Banking and Building and Loan. The heads of the other divisions would be appointed by the commissioner.

The organization of the Department of State, under the Secretary of State, would remain unchanged, with a Division of Charters and Records and a Division of Buildings and Grounds.

The Department of Education, under the Superintendent of Public Instruction, would continue its existing organization, with the State Text-book Commission included in the Department.

The organization of the Industrial Commission would continue its existing organization with three commissioners because of its quasi-judicial nature.

It was proposed that the State Highway Commission continue under its existing organization, but preferably with four-year terms for the three commissioners instead of six, to make the organization more responsive to the Governor.

The Department of Health should continue under its existing organization with the State Chemist to be transferred to the organizational hierarchy of this Department.

The Department of Public Welfare, which consisted of the relief activities of the state, would continue under its existing organization.

It was recommended that a Department of Public Institutions be created with an appointive, unsalaried, lay Board of Control with overlapping terms, which would appoint an Executive Secretary or Commissioner. Control of all charitable, mental, correctional, and penal institutions of the state, and supervision of all subsidized charities would be vested in the Department. Purpose of its organization would be to correlate and coordinate the activities of all charitable, penal, and correctional institutions of the state. The form of organizational control most adaptable to the needs and resources of Utah is a non-salaried lay board of about five to seven members, including physicians, two women, and others interested in the problems of charitable and institutional management. The board would be non-partisan with members appointed for overlapping terms of about five years. The Executive Secretary would be a salaried officer. Each institution under the Department would have its local advisory board of trustees and visitors. The Committee of Nine

observed that the writers on public administration and several reorganized states preferred a Department of Public Welfare under a single executive officer appointed by the Governor which included both the Department of Health and a Division of Institutions, all under one department. However, the authorities on charitable administration do not favor such an organization because it tends to lose sight of its main function in the anxiety of the commissioner to apply business methods. Therefore, the above outlined organization was recommended.

A new Department of Conservation and Development was recommended, with one commissioner appointed by the Governor to be the head of the Department and also one of the divisions. The Department would include a Division of Fish and Game, the State Engineer, who would also be vested with the conservation functions of the Land Board in case the management of the lands and endowment funds were turned over to the proposed Division of Investments of the Department of Finance, Division of Parks and Forests, Division of Geology and Development, and a State Planning or State Resources Board. The new department would correlate and coordinate the large group of analogous functions distributed among the Fish and Game Commission, State Engineer, State Land Board, Water Storage Commission, Colorado River Commission, Geological and Mineralogical Survey Board, Board of Park Commissioners, State Planning Board, Committee of Nine, State Self-help Cooperative Board.

The Committee suggested (10, p. 58) that

It would seem to be a move for the most efficient development of our State resources to centralize their control in the hands of a Commissioner of Conservation, responsible to the Governor, who could and should also act in the capacity of a head of one of the major Divisions or Bureaus. This would be a move in the direction of concentration of responsibility for functional groups in the

hands of as few people as possible, in order to simplify the the supervisory task of the Governor.

Under the Department of Conservation and Development it was suggested that the State Planning Board and the Committee of Nine be consolidated into a permanent Utah State Resources Board--an advisory board of members of the Legislature and private citizens prominent in civic, development, and conservational activities. The new board would act as a staff agency for the Commissioner of the Department of Conservation and Development, the Governor, and the Legislature. The Legislative representatives could coordinate its activity with the Legislature and insure its work a proper hearing before the Legislature. It was further suggested the board could serve as a Legislative Reference Bureau for the Legislature.

The alternative of continuing its existing organization or being consolidated as a division of the Highway Commission was suggested for the State Building Commission.

Both the Department of Agriculture and the Department of Registration should continue under their existing organizations.

It was recommended that such independent establishments as the State Board Association, State Self-help Board, State Historical Society, State Fair Association continue their independent status.

The Committee of Nine recommended that the ex-officio Board of Pardons, Board of Election Canvassers, and the Teachers Retirement Board should be retained in the state administrative organization but that the following ex-officio boards should be abolished and their non-overlapping functions allocated among the above departments: (1) Board of Examiners-- functions assumed in part by the State Comptroller and part by the State

Auditor; (2) Board of Supplies and Purchase--functions transferred to State Comptroller; (3) Board of Loan Commissioners--functions assumed by the State Comptroller; (4) Securities Commission--functions transferred to proposed Department of Business Control; (5) Juvenile Court and Probation Commission--functions transferred to proposed Department of Public Institutions; (6) Board of Corrections--functions to proposed Department of Public Institutions; (7) Depository Board--functions transferred to proposed Division of Investments; and (8) Armory Board--functions to the Adjutant General.

It was proposed that the state University and the state College remain as independent establishments but with the recommendation that an investigation concerning the advisability of combining their functions under the control of a Department of Higher Education be conducted.

All state governmental functions should be allocated to the foregoing main administrative divisions.

In conjunction with various Liquor Commission recommendations it is enlightening to note that the Committee of Nine also recommended (10, p. 56)

...that the enforcement division of the Commission be taken away so far as it pertains to policing and prosecution, and that a State Constabulary be formed under direct supervision of the Governor, which shall take over the policing needs of the enforcement division.* The constabulary might also take over the functions of the Highway Patrol and such other functions as the Legislature may provide.

The prosecution of cases arising under the Liquor Control Act should be placed directly upon the Attorney General, allowing him authority to direct city, county, or districts attorneys to proceed in any specific case or allowing him to designate a deputy who shall be responsible for all such prosecutions as have in the past been handled by the enforcement division of the Commission.

It was finally proposed that an Executive Council, consisting of the elective officials, State Comptroller, and appointive commissioners

*The author inserted the underlining to emphasize that additional and adequate enforcement measures were recommended to replace the enforcement division.

of administrative departments, with exception of the Industrial Commission and the Public Service Commission, be created to correlate and coordinate the numerous functions of government into one comprehensive work plan or whole. If such a council were created, the Committee observed (10, p. 39) that

...it might be wise to imitate Kentucky, and create the post of Executive Secretary to the Council, which could be a continuing office like that of Kentucky, or if this is not considered advisable, the Secretary of the Governor might be the Secretary of the Council. This council would be a mechanism whereby the present plural executive of Utah would be in a measure unified under the control of the Governor without constitutional changes.

DURHAM'S PROPOSALS

Durham's approach to reorganization was through constitutional amendments in order to install an effective program. Passage of an Administrative Code by the Legislature which would become the basis of any future expansions was also advocated. Emphasizing that the multiplication of elective officers frequently causes irresponsibility and produces political license in administration, Durham proposed (2, p. 7) constitutional amendments to provide that

Only the Governor, as executive, should be elected. The rest of the offices, with the exception of Auditor, should become the appointive heads of departments or discontinued. The State Auditor should continue to be an elective office as agent of the legislature and people in examining the financial operations of the State through means of the post-audit; but not maintaining the accounts which he himself later audits, as at present.

The division should guarantee the Governor's control over the various departments and agencies of the state government. To contribute to increased responsibility and integration in government, Durham recommended (2, p. 17, 18) that the following principles be employed in reorganizing the Utah system:

- 1) Provisions insuring the executive leadership of the Governor (short ballot, staff aids, power to appoint and remove department

heads). 2) Reduction of the number of independent state agencies by grouping them in a sufficiently small number of major departments to permit effective executive supervision. 3) Internal organization of each major department with fixed lines of responsibility extending from the lowest official through the administrative authority in charge of the department to the Governor. 4) Replacing ordinary boards and commissions performing ordinary executive tasks with single officers, except where such boards (e. g., the Industrial Commission in Utah) perform quasi-legislative and quasi-judicial functions. 5) Establishment of the executive budget with accompanying financial control. 6) Adoption and strict enforcement... of the merit system of personnel, providing in addition personnel management to insure a "career" service. 7) General increase in the Governor's responsibility "to see that the laws are faithfully executed", so that he becomes the responsible manager of the state business.

As an administrative device to facilitate an efficient working relation between the Legislature and the Governor, Durham recommended the installation of the true Executive Budget. Noting that without an adequate financial pattern set up for its administration runs wild, Durham stated (2, p. 9):

The budget system provides a happy relation between Governor and Legislature in formulating this all-important pattern in that it allows full play to both the policy function and the administration function: The Governor is responsible for creating the detailed financial pattern that is the budget; but only the representative assembly can raise the revenues and grant final authority to spend the money. Without this fundamental relationship, which is the heart of democratic administration today, the whole process of government is weakened.

As a devotee of civil service, Durham recommended, in conjunction with constitutional amendments leading to legislative enactment of an Administrative Code, a sweeping civil service amendment. He further recommended legislation to establish an agency to extend the merit system which would include recruitment, probation, promotion, transfer, training, and retirement systems, to every office in the state except department heads who would be appointed by the Governor, and their confidential secretaries. Durham listed as reasons for such through-going

civil service enactments the economic specialization of an industrial world, the inadvisability of political workers leaving private employment to enter public service which may be subject to political whims, and the advisability of having professionally trained career men to perform the administrative tasks of government.

Grouped in a category of administrative research were the recommendations of Durham for a State Library and Legislative Reference Service, usually combined in a single bureau under the Governor's surveillance, which would channelize the planning function between Legislature and Governor; proposals for administrative research agencies; departmental research organs; and collaborative research units. Durham observed that thirty-nine states, not including Utah, were utilizing such a device as the Legislative Reference Service in 1939.

GOVERNOR MAW'S SPECIFIC RECOMMENDATIONS

In deliberate, concise terms, Governor Maw told the joint session of the 1941 Utah Legislature that the faults he had attributed to the state government at that time could be corrected through the elimination of numerous commissions, boards, agencies, and departments which had been created by past Utah Legislatures; through classification of the state's activities into as few units as possible; and the creation of an organization to administer each classification.

The Governor sought reorganization through statute rather than through constitutional amendment. He told (¹⁷p. 31, 32) the legislators that

The State Constitution makes a continuance of the seven elective state offices mandatory. The legislature should, however, bring each of these departments within its program of intra-department reorganization and should consider the advisability of giving elective officials definite assignments of responsibilities in newly created departments.

It is recommended that now existing commissions, boards and other government units created by past legislatures be dissolved and that all of the functions of the State be assigned to the following newly created departments--Department of Finance, Department of Engineering, Department of Public Welfare, Department of Lands and Water, Department of Service and Inspection, Department of Health, Board of Higher Education, Tax Commission, Industrial Commission, Liquor Commission, and Department of Publicity and Industrial Development.

The remainder of the Governor's Message was devoted to a brief individual consideration of each of the eleven departments which he had recommended as the core of the reorganization program.

It was recommended that the Department of Finance, in addition to performing the financial responsibilities of the state government, should be assigned all the duties performed by the Board of Supplies and Purchases, Teachers' Retirement Board, Land Board, and some of the functions of the Industrial Commission and other commissions including the Board of Examiners.

State engineering responsibilities were to be performed by the Department of Engineering in addition to all the functions of the Road Commission, State Engineer, Aeronautics Commission, Building Commission, State Planning Board, and the Water Storage Commission.

It was recommended that the Department of Public Welfare administer all projects and institutions created to serve the needs of all classes of citizens. It would include the services of the State Board of Public Welfare, Board of Trustees of the School for Deaf and Blind, Board of Corrections, Board of Trustees of Utah State Hospital, State Industrial School, Board of Trustees of State Training School for Feeble Minded, Juvenile Court and Probation Commission, Tuberculosis Hospital Board and Self-help Associations. Under the Department of Public Welfare, Governor Maw proposed a division of Permanent Assistance, a division of

General Welfare, a division of Public Institutions, and a division of Corrections.

It was proposed that the Department of Lands and Water should be assigned the duties of the Board and Commissioner of Agriculture, Fish and Game Commissioner, Soil Conservation Commission, State Fair Board, Park Commission, and related services. It was further recommended that the Department be subdivided into the Divisions of Agriculture, Livestock, and Fish and Game, with the provision that the huge revenues derived from sale of hunting licenses, amounting to three-fourths of a million dollars per biennium, be rigidly supervised.

Under the Department of Service and Inspection, it was recommended to group together the functions of the Fair Trades Board; the Public Service Commission; the State Banking Department; the State Insurance Commissioner; the Department of Registration; the State Securities Board; and the Highway Patrol activities which were directed by the Road Commission, the Liquor Commission, and the Department of Agricultural Inspectors; the inspection service of all other departments; and all other services which regulate business institutions.

The Governor recommended that the Department of Health, the Tax Commission, and the Industrial Commission continue essentially the same operations in the manner as then constituted with only minor changes.

In regard to the Liquor Control Commission, the Governor recommended that the sale and regulation of intoxicating beverages be controlled by a part-time commission of not to exceed five members, together with a manager who would work under the direction of the commission. Recommendations were made for the elimination of the independence of the commission with definite appropriations to be made for its administration,

with all revenues to be deposited with the State Treasurer, and with all checks to be issued by the State Auditor who would maintain continuous audit of all accounts of the Commission.

On Higher Education, Governor Maw proposed that the recommendations of the Fact Finding Body established by the 1939 Legislature for the purpose of investigating public education in Utah be given serious consideration. The recommendations included the combining of the administrations of the University of Utah, the Utah State Agricultural College, and the State Junior Colleges under one board with one administrative head to be known as a chancellor. Governor Maw further recommended that the future expansion of all higher educational institutions within the state be brought under control.

In recommending the creation of the new Department of Publicity and Industrial Development, Governor Maw moved into the field of promoting industrial expansion within the state. In addition, it was recommended that the Department design a program to develop the scenic wonders of the state, as well as publicize the state for its industrial and mining advantages. Included in the Governor's recommendations for this Department was a provision that some of the funds be spent by the Department should be channeled to programs in harmony with the Centennial Commission with the idea that the projects created for employment could be worked out through the cooperative efforts of both groups, the revenues of which would be adequate to finance both programs. The thought was projected that this would eliminate all future need for appropriations for a Centennial.

In concluding his proposals on reorganization, Governor Maw suggested that the state organization should be of such nature as to make each

department head directly responsible to the Governor, who in turn, would be accountable to the people. Other general summaries were made concerning old age assistance and relief with the recommendation that in the administration of the program the current close supervision of the spending of funds in each individual case be eliminated, the financing of the relief program, and a projected idea of industrial expansion within the state.

As a general feature of his proposals, Governor New recommended the use of three commissioners in most of the proposed new departments as contrasted to the use of a single administrator.

TABLE I

COMPARATIVE RECOMMENDATIONS OF
COMMITTEE OF NINE, GOVERNOR MAW, AND DOCTOR DURHAM

Feature Recommended	Concurring Opinions			Enacted by Legislature*
	Maw	Committee of Nine	Durham	
Abolition of ex-officio boards and transfer of duties to administrative departments		x	x	
Administrative Code			x	
Administrative officers to serve at pleasure of Governor	x		x	
Advisory councils for state departments	x			x
Auditor to be elective agent of Legislature to conduct post-audit			x	
Auditor to perform administrative, supervisory, control, collection, and account functions	x			x
Auditor to perform continuous post-audit only		x	x	
Bi-partisan commissions to govern state departments	x			x
Commissions to govern quasi- judicial and quasi-legislative departments only		x	x	
Comprehensive budget including all revenues, expenditures, current and special funds, and outlay of capital expenditures for roads, bridges, etc.	x	x	x	
Executive control of state expenditures	x	x	x	x
Executive council to coordinate and correlate functions		x		

(continued next page)

* Not all of the enacted reorganization is included in this table.

TABLE I (CONTINUED)

Feature Recommended	Concurring Opinions			Enacted by Legislature
	Law	Committee of Five	Durham	
Executive leadership of the Governor	x	x	x	
Governor to provide biennially for independent post-audit	x			x
Integration of departments: [*]				
Department of Agriculture	x	x		x
Department of Business Control	x	x		x
Department of Conservation and Development		x		
Department of Education	x	x		x
Department of Engineering	x			x
Department of Finance	x	x	x	x
Department of Fish and Game	x			x
Department of Health	x	x		x
Department of Higher Education	x			
Department of Law	x	x		
Department of Public Institutions		x		
Department of Public Welfare (including institutions)				x
Department of Public Welfare (excluding institutions)		x		
Department of Publicity and Industrial Development	x			x
Department of Registration		x		
Department of State	x	x		
Executive Department	x	x		
Highway Commission		x		
Industrial Commission	x	x		x
Liquor Commission	x			x
Tax Commission	x	x		x
Merit system and personnel management			x	
Planning and reference service	x	x	x	
Reduction in number of independent state agencies	x	x	x	x

(continued next page)

^{*}Durham did not recommend number and names of specific departments except Department of Finance.

TABLE I (CONTINUED)

Feature Recommended	Concurring Opinions			Enacted by Legislature
	Maw	Committee of Nine	Durham	
Short ballot			x	
Single administrators to govern departments		x	x	
State University and State College remain independent		x		x
Subordination of authority	x	x	x	x
Terms of appointive administrators to be coincident with term of Governor	x	x	x	
Treasurer to be custodian of public moneys		x		x

SOURCE: Committee of Nine Report, Governor Maw's 1941 message to the Legislature and his reorganization bill, Durham's Public Administration and State Government in Utah, and the 1941 Session Laws of the State of Utah.

CHAPTER V: THE REORGANIZATION IN LEGISLATIVE ENACTMENTS

On January 29, 1941, the seventeenth day of the legislative session, the Senate and House of Representatives again met in joint session in the House chamber to listen to Governor New discuss (17, p. 149) the state reorganization bill which he had personally drafted. After the discussion, the joint convention dissolved and each house reconvened in separate sessions at 2 p. m.

HOUSE BILL NUMBER 82

In the afternoon session of the House, the complete text of the Governor's bill was introduced by the Reorganization Committee as House Bill Number 82 and referred to the Reference Committee. Whereas the original Governor's Message recommended the creation of eleven departments of state government, the Reorganization Bill provided for fourteen departments of state government. Notably added in the Reorganization Bill were an Executive Department, a Department of State, and a Department of Attorney General. A Department of Business Regulation, which was to include the Liquor Commission, was substituted for the originally recommended Department of Service and Inspection. Notable also was the fact that the Governor had originally proposed a Department of Lands and Water which was to have included divisions of Fish and Game and Agriculture. House Bill Number 82 provided for separate Departments of Agriculture and Fish and Game. The originally recommended Department of Higher Education was not included in House Bill Number 82. It is particularly important to note that the Governor's Bill provided for three commissioners in most of the proposed departments; it vested administrative, accounting, supervisory, and control duties in the elective State Auditor; it provided

for an annual post-audit at the close of each fiscal year, not by the State Auditor, but by a private group of certified public accountants hired by and responsible to the Governor; and it provided that the commissioners and heads of the various administrative departments and agencies of the state should appoint the employees of their departments and fix their respective salaries in accordance with the rules and regulations set up by the Department of Finance.

The Reference Committee reported House Bill Number 82 back to the House on the eighteenth day of the session. On the thirty-eighth day of the session, House Bill Number 82 was read for the second time with several minor alterations and placed on the calendar for third reading. On the fortieth day of the session, the bill was read the third time in full and placed on its final passage. In the afternoon session of the same day, House Bill Number 82, as amended, passed the House with fifty-seven ayes, one nay, and two absent. The bill was then transmitted to the Senate. The Governor was notified of the passage of the bill by the House.

In the Senate, House Bill Number 82 was read for the first time on the forty-third day of the session and referred to the Committee on State and Municipal Affairs. On the forty-fourth day, the bill was reported out favorably and referred to the Sifting Committee of the Senate. On the sixtieth day of the session, the last legal day of a regular session of the Utah Legislature, the Sifting Committee recommended that the Senate strike the Enacting Clause from House Bill Number 82 and it was returned to the House, to be retained in the House files. That was the death of the Reorganization Bill during the regular session of the 1941 Utah Legislature.

The death of House Bill Number 82 is not as uneventful as the pages of the Senate and House Journals seem to indicate, however. Through a series of several interviews, it was learned the bill suffered a more conspicuous death. Others indicated the same thing as did Governor Maw who said that the Senate argued that House Bill Number 82 could not legally be passed by the Legislature inasmuch as it embodied more than one topic. Governor Maw argued that the bill embodied the single subject of state reorganization, but to no avail.

On March 13, 1941, the last day of the regular session, the Legislature passed reorganization bills relating to the Industrial Commission and creating the Departments of Agriculture, Health, Public Welfare, and Publicity and Industrial Development. All of those bills were separate.

FIRST SPECIAL SESSION AND THE NUMEROUS REORGANIZATION BILLS

On March 11, 1941, just prior to the adjournment of the regular session of the 1941 Utah Legislature, Governor Maw issued a proclamation (18, p. 7) to call the Legislature to meet in special session at the Capitol on the seventeenth day of March, 1941, at 12:00 noon "To enact legislation to provide for the reorganization of the state government" and "To provide for the expenses of setting up a reorganization program." The Governor's Message to the Special Session admonished (18, p. 8) the legislators that "Your deliberations should be confined to matters pertaining to the reorganization of government units and to the effecting of economies in the operations of all governmental activities."

Accordingly, the first day of the special session, the Senate introduced before that body twenty-seven separate bills, all pertaining to the reorganization of the state government. Before the first special session was over, the Senate had introduced thirty-five measures, all

of which involved the reorganization program. All of the Senate bills were passed by both the House and the Senate and all were signed by Governor Maw with one exception--Senate Bill Number 30 relating to the public school system, which he vetoed.

The House of Representatives, during the first special session in 1941, introduced thirteen bills, all relating to the reorganization program. Only eleven of the thirteen bills were passed by the Legislature, but the Governor approved all eleven of them.

SECOND SPECIAL SESSION AND APPROPRIATIONS

The widely heralded, frequently criticized reorganization of Utah's state government had been effectuated by a series of legislative enactments. However, Governor Maw found it necessary to convene a second special session of the Twenty-fourth Legislature, by proclamation (19, p. 5) of April 23, 1941, for the purposes of making "appropriations for the Biennium beginning July 1, 1941 to the various departments, institutions, commissions and boards of the state government."

In joint session, the Legislature heard Governor Maw present his message--a message primarily devoted to the state budget. The legislators heard the Governor declare (19, p. 7) that

My observations since taking office have convinced me of one thing--that is that the method of making appropriations, practiced by past legislatures of our state is wasteful....It is wasteful in the first place because no one knows...how much the various state agencies actually need to operate efficiently and at the same time economically....In the second place the system is wasteful because it is impossible to accurately determine for two years in advance, especially during changing times like these, just what the various services will require.

The Governor outlined a series of factors affecting state revenues and funds, many of which encouraged waste and duplication of services. The financial independence of the separate agencies and departments was

TABLE II
GOVERNOR'S ACTION ON BILLS OF THE SPECIAL
SESSION OF THE 1941 LEGISLATURE

Senate Bills

No.	Subject	Approved	Vetoed
1	Relating to Department of Engineering	April 1	
2	Relating to Water and Irrigation	March 28	
3	Relating to State Road Commission	March 28	
4	Relating to Aeronautics within the State	March 28	
5	Relating to Utah State Building Com.	April 3	
6	State Engineer to Enter into Agreements	March 28	
7	Creating Dept. of Business Regulation	April 1	
8	Relating to Public Service Commission	March 28	
9	Relating to State Banking Department	April 3	
10	Relating to Insurance Department	March 28	
11	Relating to Securities Commission	March 28	
12	Relating to Department of Registration	March 28	
13	Relating to Trade Commission	March 28	
14	Creating State Highway Patrol	March 28	
15	Relating to Fish and Game Department	April 3	
16	Relating to Soil Conservation Commission	April 3	
17	Relating to State Chemist	April 1	
18	Relating to State Industrial School	March 28	
19	Relating to Utah Centennial Commission	March 28	
20	Creating Department of Finance	April 1	
21	Relating to Workmen's Compensation Ins.	April 3	
22	Relating to Firemen's Pension Fund	April 3	
23	Relating to State Land Board	April 3	
24	Investment of Cemetery Trust Funds	March 28	
25	Investment of Redemption Funds	March 28	
26	Relating to Teachers' Retirement Fund	March 28	
27	Relating to Industrial Commission	April 3	
28	Relating to Utah School For Deaf	April 3	
29	Relating to Utah Liquor Control Com.	April 3	
30	Relating to Public School System		April 3
31	Providing for Biennial Post-Audit	April 3	
32	Relating to Duties of State Treasurer	April 1	
33	Relating to Duties of State Auditor	April 1	
34	Relating to Bureau of Criminal Ident.	April 1	
35	Relating to School for Deaf and Blind	April 1	

SOURCE: Senate Journal, Twenty-fourth Session of the Legislature of the State of Utah, Special Session, 1941.

TABLE IIIGOVERNOR'S ACTION ON BILLS OF THE SPECIAL
SESSION OF THE 1941 LEGISLATURE

House Bills

No.	Subject	Approved	Vetoes
1	Appropriating Expenses for Legislature	March 24	
3	Relating to Self-Help Cooperatives	March 28	
4	Relating to Old Age Assistance	April 3	
5	Relating to Occupational Disability	April 3	
7	Relating to the State Prison	April 3	
8	Relating to Motor Vehicle Fund	March 28	
9	Details of Reorganization of State Depts.	March 24	
10	Relating to the Training School	April 1	
11	Relating to Sterilization	April 1	
12	Relating to Geological and Mineralogical Surveys	April 3	
13	Relating to Planning Board	April 1	

SOURCE: Senate Journal, Twenty-fourth Session of the Legislature of the State of Utah, Special Session, 1941.

criticized. Lack of centralized planning of fiscal policy was deplored as he said (19, p. 8): "All of these circumstances bring up the question of what can be done to preserve the state's revenues. The answer is, greater executive control of the budget."

Governor Maw then indicated that he had outlined a budget bill for the consideration of the legislators which provided for appropriations to the several state agencies in sufficient amounts to cover salaries of employees and officials and office operating expenses. He told (19, p. 9) the legislators that

The bill provides that all other general fund incomes for the biennium shall go into a special fund to be known as the "State government operating fund" from which the Governor, by and with the consent of the Board of Examiners, may pay for all of the travel, equipment, repairs, building, postage, premiums on insurance policies, special projects, additional labor and other requirements of every department of state.

Rather extensive features and principles of budget-making were discussed by Governor Maw throughout his legislative address. He concluded his budget message with a discussion of state indebtedness and outlined a logical and vigorous policy which he indicated he would follow in reducing state debt.

House Bill Number 2 of the second special session generally embodied the Governor's proposals on budget and the approved bill went to the Governor for signature on June 18, 1941. Thus, the structural reorganization was granted appropriations on which it began its first test of effectiveness.

THE ENACTED REORGANIZATION

The enacted reorganization retained all six of the constitutional elective officers of state administration. Greater executive control was granted the Governor primarily through the Department of Finance which

UTAH STATE GOVERNMENT REORGANIZATION CHART 1941

SENATE HOUSE

TREASURER AUDITOR SECRETARY OF STATE GOVERNOR ATTORNEY-GENERAL SUPT. PUBLIC INSTRUCT.

BOARD OF PARDONS
GOVERNOR, ATTORNEY-GENERAL,
3 SUPREME COURT JUSTICES

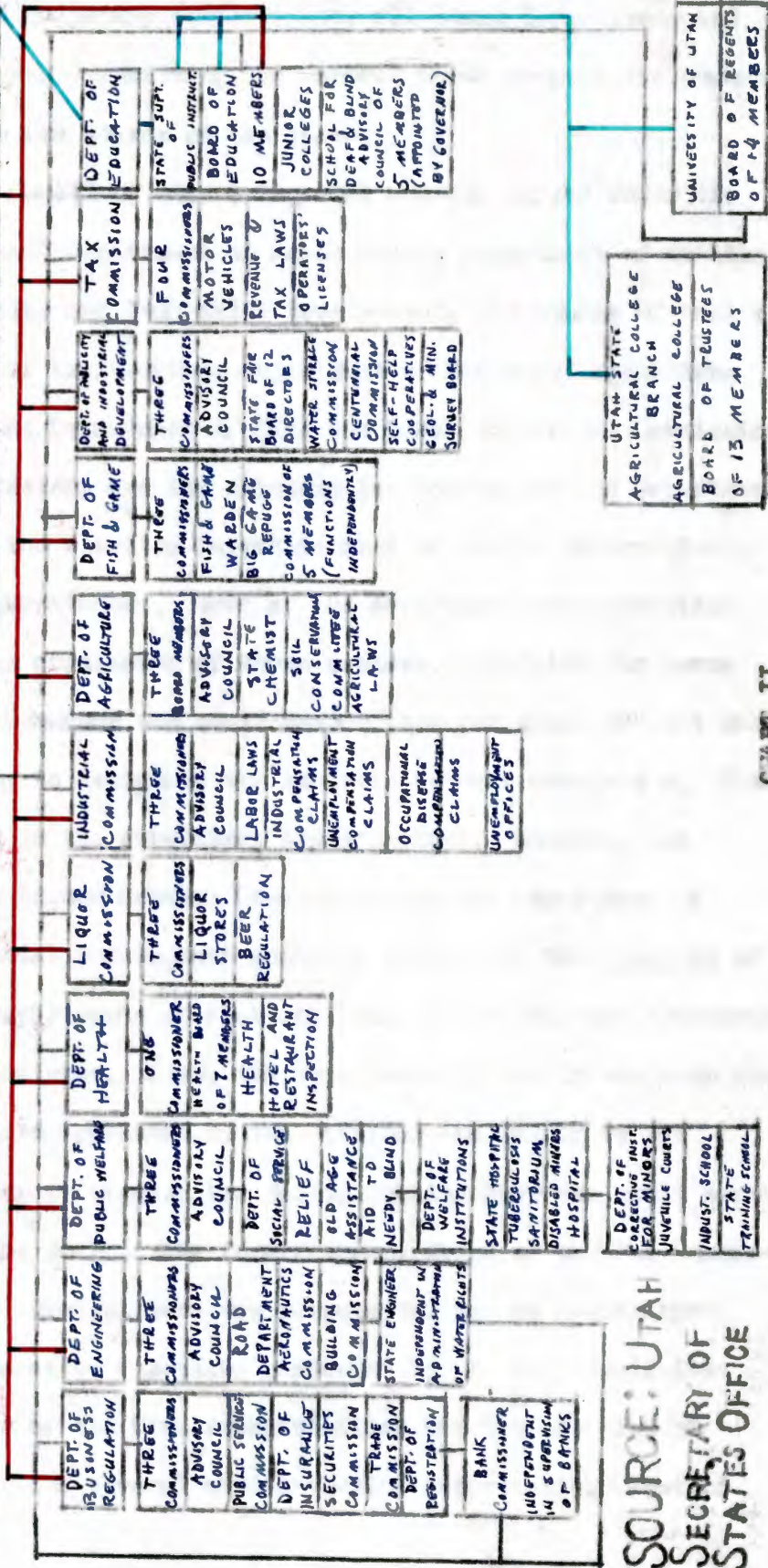
BOARD OF CORRECTIONS
3 MEMBERS APPOINTED
BY GOVERNOR

BOARD OF EXAMINERS
GOVERNOR, SECR. OF STATE,
ATTORNEY-GENERAL,
CHECK ALL CLAIMS AGAINST
STATE EXCEPT SALARIES AND
BY LAW AND APPROPRIATIONS

STATE DEPOSITORY BOARD
BANK COMMISSIONER
ATTORNEY-GENERAL
A & BANKER

MILITIA
HIGHWAY PATROL
BUREAU OF CRIMINAL IDENTIFICATION
ADJUTANT GENERAL

DEPARTMENT OF FINANCE
3 COMMISSIONERS, ADVISORY COUNCIL,
PURCHASING AGENCY, BUDGET OFFICER,
STATE INSURANCE FUND, TEACHERS,
RETIREMENT FUND, GOVERNMENTAL LAND
BOARD, FIREMEN'S FUND, REDEMPTION FUND



SOURCE: UTAH SECRETARY OF STATES OFFICE

exercises fiscal and budgetary controls over all state departments and agencies and also by the appointing and removal power granted the Governor over the commissions and boards of the state.

Administrative functions were integrated and classified under the following departments: Department of Agriculture; Department of Health; Department of Publicity and Industrial Development; Department of Public Welfare; Department of Engineering; Department of Business Regulation; Department of Finance; Department of Fish and Game; Industrial Commission; Liquor Control Commission; and the existing Tax Commission and Department of Education (under the elective Superintendent of Public Instruction), both of which were perpetuated. Most of the departments were presided over by a bi-partisan commission of three members, appointed for terms of six years by the Governor who could remove them for cause and who was granted the authority to designate the chairman of each commission. This pattern was followed in the subsidiary organizations. However, the commissioners of the Liquor Control Commission and the Department of Publicity and Industrial Development could be removed at the pleasure of the Governor. The Departments of Fish and Game and Health were empowered to elect their own chairmen. Also, the Department of Health was comprised of a seven-member board appointed by the Governor and authority was vested in the Governor to appoint the Health Commissioner who would serve at the pleasure of the Board. The former organization of the Tax Commission, including four commissioners was perpetuated by the Legislature because of the deliberative functions performed by the Tax Commission.

A unique feature of the Utah reorganization was the creation of Advisory Councils for the several administrative departments. Most of

the departmental commissions and officers were granted authority to hire and discharge administrative assistants and employees in accordance with patterns prescribed by the Finance Commission. The organization of the Department of Public Welfare combined the administration of assistance to the needy, aged, blind, and dependent children with the administration of the various state institutions such as juvenile courts, Tuberculosis Sanitarium, Utah State Hospital, the State Training School, the State Industrial School. The reorganization as enacted did not include the Board of Higher Education originally recommended by Governor New, nor did it include the statutory Executive Department, Department of State, nor Department of Attorney General which were proposed in the Governor's Reorganization Bill. However, the Highway Patrol was placed under the supervision and control of the Governor who was granted authority to appoint and remove at his pleasure the Superintendent of the Highway Patrol who was declared the executive officer of the organization. The Bureau of Criminal Identification and Investigation was to be governed by a board of managers including the Governor, Attorney General, and the Superintendent of the Highway Patrol, which was empowered to appoint a non-partisan director to serve at the pleasure of the board.

Other reorganization provisions were enacted by the Legislature. The Governor was authorized \$10,000 to provide for a biennial post-audit to be conducted by public accountants who were to be independent of all state officers. The elective State Auditor was declared to have a multiplicity of duties. He was directed to set up and maintain thorough-going control accounts of all receipts and disbursements, inventories of supplies, materials, and equipment of all departments of state; to keep an account and register of all warrants; to keep numerous other accounts

and make numerous collections; to audit all claims against the state and to make an annual audit of all books and accounts of all state institutions. In addition, he was required to perform the duties of a member of various boards. Among other duties of the State Treasurer he was to keep bonds, warrants, and other securities under bond. The Twenty-fourth Legislature did not make any extensive alterations in budget procedure and control. The State Planning Board was abolished by the Legislature. Many details of reorganization remained to be worked out by the various administrative departments themselves. The ex-officio Board of Examiners, Board of Pardons, Board of Corrections, and State Depository Board were retained by the Legislature. For a graphical illustration of the reorganization structure, see Chart II, page 61. For a comparison of the major recommendations with the enacted reorganization, see Table I, page 51.

CHAPTER VI: POST-REORGANIZATION ENACTMENTS

Indicative of the nature and the continuing process of administrative reorganization are the numerous enactments of the legislatures of 1943, 1945, 1947, relating to state organization. Some of the following enactments modify, repeal, or amend phases of state government which the Twenty-fourth Legislature newly enacted or perpetuated while others established new features. Only the more significant of such bills relating to state administration will be treated here.

ACTION OF THE TWENTY-FIFTH LEGISLATURE

A feature of the reorganization as enacted by the Twenty-fourth Legislature was the creation of Advisory Councils for at least seven of the twelve departments of state in addition to some subsidiary units of administration. The Advisory Councils of the Department of Agriculture and the Industrial Commission were eliminated in 1943 by action of the Legislature.

In 1943, the Legislature established five fish and game districts of the state of Utah and increased the number of fish and game commissioners from three to five, one to be appointed from each of the newly-created districts. The pay of the commissioners was changed from \$100 per year plus expenses up to a \$1000 ceiling to \$10 per diem while on actual business of the department plus expenses, the total not to exceed \$500 per year. It was further provided that a Director, removable for cause by the commission, should be appointed for a term of four years at an annual salary of \$4,000. The Director was declared the executive officer of the department and was granted power to appoint deputies and employees whom he could remove at his own discretion.

In regard to the Bureau of Criminal Identification and Investigation, the Director thereof was given the power to appoint, promote, demote, and discharge employees and to effect administrative regulations of the Bureau. The board of managers of the Bureau formerly held such power. The Director and employees of the Bureau were empowered to aid and assist but not displace local peace officers. To augment the work of the Bureau many agencies and officers of the state were scheduled to furnish information and to work cooperatively with the Bureau.

The elective State Auditor, by action of the Twenty-fifth Legislature, was made independent of all executive and administrative officers of state, responsible only to the Legislature and the people of the state. The Auditor was relieved of the alternative of keeping certain accounts and was required to post-audit all books and accounts of the state offices at least once per year, rather than per biennium as formerly required. However, the Auditor still retained several administrative duties.

Other relevant action of the Twenty-fifth Legislature was: the creation of a Legislative Budget Committee; the change in the statutory period during which the Governor must submit the State Budget from twenty days to ten days after the Legislature convenes; the increase of salaries of the elective officers of state; the establishment of a Uniform School Fund and a School Lunch Fund; the creation of a Public Welfare Service for Rehabilitation of Indigent Alcoholics; and the transfer of duty from the State Auditor to the Department of Finance of issuing and drawing warrants on the State Treasurer.

ACTION OF THE TWENTY-SIXTH LEGISLATURE

The Water Resources Development Division of the Department of Publicity and Industrial Development and its Advisory Council were abolished

by the Twenty-sixth Legislature and all contracts, projects, and duties were transferred to the State Engineer.

Within the Department of Agriculture a new Dairy Section was created to control standards and marketing of dairy products. To regulate the professional practices of barbers within the state of Utah a State Barber Board was created and placed under the jurisdiction of the Trade Commission, a division of the Department of Business Regulation. The creation of the above two units of state administration illustrate the desirability of the flexible organizational structure enacted by the 1941 Legislature which permits the assignment of new units and functions of government without changing the form of administration hierarchy.

To partially fulfill a salient need in Utah administration the Twenty-sixth Legislature created a Highway Patrol Civil Service Commission. The legislation provided for appointment and tenure of employees of the Highway Patrol based on merit. A Civil Service Commission was provided for to administer the act. A commission of three members were to be appointed for overlapping four-year terms by the Governor, who should appoint the chairman.

It is significant to note that inasmuch as no provision was made in the original reorganization bills for a planning board or council the Twenty-sixth Legislature established numerous study committees. The Tax Study Committee was appointed to study the utilization of tax resources by state government in Utah. The Colorado River Committee was created by resolution to investigate and study a treaty between the United States and Mexico relating to the use of waters of the Colorado River. An Interim Insurance Committee was created by resolution to study insurance laws and submit a report to the Twenty-seventh Legislature. A Joint Resolution of the Legislature created a committee of nine members to

study methods of non-partisan selection of judges in the state of Utah. A committee was created by resolution to investigate race, color, or creed discrimination in Utah and to recommend legislation. The first Special Session of the Twenty-sixth Legislature created a committee of six to study relocation of public institutions of the state of Utah at the former U. S. Army Bushnell Hospital site.

Other legislation pertaining to state administration enacted by the Twenty-sixth Legislature related to an increase in salaries of the six elective state executives, the Health Commissioner, and other state officers.

ACTION OF THE TWENTY-SEVENTH LEGISLATURE

Some rather significant legislation characterized the activity of the Twenty-seventh Legislature. A new State Department of Veterans Affairs was created to aid, assist, counsel, and advise veterans of the state. The legislation provided for a Veterans Council, a Director of Veterans Affairs, and a departmental Advisory Council. The Legislature appropriated \$175,000 for the operation of the Department. The new establishment was not envisioned as a permanent addition to state administrative organization, however, inasmuch as the effective date section also provided for termination of the Department in January 1951.

A Utah Water and Power Board was created with the State Engineer as the chief executive officer. An appropriation of \$200,000 for administration and \$1,000,000 for construction was granted the Board.

The Twenty-seventh Legislature enacted a retirement system for officers and employees of the state of Utah which permitted retirement after twenty years of service. In the absence of a thorough Utah Civil Service system, which would assure tenure for competent workers,

the state retirement system is not as significant as it might otherwise be.

Extensive legislation relating to the Department of Health was enacted to provide for the continuing development and enforcement of high standards of operation and maintenance of hospitals to assure safe and adequate treatment of patients. Provisions were made for a state hospital survey and construction of necessary hospital facilities.

During the 1947 regular session the Legislature enacted legislation which created the Legislative Council as a planning agency for the Legislature. Although the Committee of Nine, Governor Maw, and Durham had all recommended a planning agency no action was taken by the Legislature until after Durham had conducted additional research for the Tax Study Committee and submitted his separate report in January 1947. It was that report which prompted the Legislature to take action two months later and the enacted legislation followed the general pattern outlined (4, p. 21-29) by the Durham report. The legislation provided for a Council of thirteen members, five appointed by the President of the Senate including the President of the Senate, five appointed by the Speaker of the House including the Speaker of the House, one who was not a member of the Legislature appointed by the Governor, and two others not members of the Legislature to be appointed by the President of the Senate and the Speaker of the House. Party representation on the Council was to parallel the proportional representation of the parties in the Legislature. The Chairman was to be chosen from among the legislative members of the Council, with the provision that if the Chairman selected was a House member the Vice-chairman should be a Senate member and

vice-versa. Each member would serve until his successor was named at the convening of the next regular session of the Legislature. A full time Director and staff were to be appointed by the Council.

The new law declared (11, p. 338) the duties of the Council and Director to be:

(1) To collect information concerning the government and general welfare of the State, examine the effects of previously enacted statutes and recommend amendments thereto, and deal with important issues of public policy and questions of state-wide interest.

(2) To prepare a legislature program in the form of bills or otherwise, as in its opinion the welfare of the State may require, to be presented at the next session of the Legislature, with recommendation for order of consideration by the Legislature.

(3) To investigate and study the revenues and expenditures of the State, the possibilities for consolidations in the state government, the elimination of all unnecessary activities and of all duplication in office personnel and equipment, and the coordination of departmental activities; and to investigate methods of increasing efficiency and of effecting economies.

(4) To investigate and study the possibilities of reforming the system of local government with a view to simplifying the organization of government.

(5) To cooperate with the legislative and judicial departments of state government in devising means of enforcing the law and improving legislative enactment, administrative methods, and efficient functioning of the courts.

(6) To take over and perform the duties of the Inter-State Cooperation Commission.

(7) To perform the services of reference attorney to both Houses of the Legislature, through the Director of the Council.

(8) To prepare drafts of bills for the consideration of the Committee. The Director shall also assist members of the Legislature in the drafting of bills and resolutions and in the compiling of pertinent information.

(9) To enjoy every additional power and to perform every labor or function assigned it by joint resolution of the Legislature.

Other provisions (11, p. 339) of the law suggest the nature of the planning council is combination legislative-executive:

Each officer, board, commission or department of state government, or any local government shall make such studies for the Council as it may require and as can be made within the limits of its appropriation.

* * *

The Governor, Board of Examiners, and Chief Justice for the judicial department shall have the right to send a message to the session of the Council convening next after the adjournment of the regular session of the Legislature, and may from time to time send additional messages containing their recommendations and explaining pertinent problems.

An appropriation of \$40,000 was granted for operation during the first biennium of its existence. It was provided that recommendations of the Council should be mailed to executive officers of the state and members or members-elect thirty days prior to convening of any regular session of the Legislature. In connection with the establishment of the Legislative Council it is interesting to note that the regular session of the same Legislature which established the Council also created by resolution a separate committee to study municipal fiscal problems and a committee to study state building needs. It is important to note, however, that each of these two committees were required to report to the Legislature before the termination of that session. The first special session of the Twenty-seventh Legislature, however, turned special investigations over to the Legislative Council by authorizing the Council to investigate and audit accounts of the Liquor Control Commission.

Efforts of the Twenty-seventh Legislature to establish a true comprehensive budget were significant. The Legislature in 1945 had endeavored to include certain earmarked funds within the budget but had failed to repeal former legislation allocating the whole of such funds elsewhere. Attorney General Giles had consequently ruled that

the items in the 1945-1947 biennial appropriations act which appropriated monies from such earmarked funds were invalid. The 1947 Legislature attempted to correct the former shortcoming. The Governor's statutory power over the allocation of Emergency Relief Funds was repealed, thus enabling the Legislature to appropriate such funds. This action brought the Department of Public Welfare under legislative supervision and placed it on a definite budget. Since 1941, the Department of Publicity and Industrial Development had received all the surplus above \$800,000 annually (which went to B & C roads) from the Motor Vehicle Registration Fund. The Legislature in 1947 placed the Department on a definite budget and appropriated \$600,000 for the biennium to it while B & C roads was appropriated \$3,000,000 for the biennium, or so much thereof as may become available. This procedure corrected the former faulty manner of appropriating monies from the Motor Vehicle Registration Fund. The Department of Engineering was limited in the use of certain earmarked funds and placed on a partial budget by the Appropriations Act of 1947 by the inclusion of definite appropriations to the Department of Engineering from the Highway Fund. The inclusion of such appropriations brought legislative supervision of the Highway Fund inasmuch as the statute which earmarked the Highway Fund did not contain specific authority for the Department of Engineering or the Road Commission to expend such monies.

The Legislature attempted to bring other earmarked funds under legislative supervision in 1947 but failed to do so. Fish and Game Funds, Motor Vehicle Control Funds, and Vehicle Control Funds were included in the Appropriations Act of 1947, but legislative control of such funds failed for another reason. House Bill Number 186, which would have amended the existing earmarking statute on Fish and Game Funds,

was passed by the Legislature but vetoed by Governor Maw after the Legislature adjourned. House Bills Number 224, Number 225, and Number 227 would have amended the statutes earmarking revenues of the Liquor Control Fund, Vehicle Control Fund, and the Motor Vehicle Control Fund respectively, but they were not enacted by the Legislature. Hence, the attempted appropriations from the above funds in the Appropriations Act of 1947 were invalid. Prior to the above action of the Legislature in 1947, more than eighty per cent of the tax revenues of Utah were earmarked for various government agencies, or for some other reason were not subject to legislative review or appropriation each biennium. The inclusion of the Emergency Relief Fund, the Highway Fund, and the Motor Vehicle Registration Fund in the state budget reduced the per centage of unbudgeted funds--including federal grants of approximately \$21,000,000--to about sixty per cent of the total expenditures of the state. Had appropriate legislation been enacted and approved relative to the other earmarked funds the Legislature would have been enabled to control substantially all of the state revenues.

Other enactments pertinent to state organization passed by the Twenty-seventh Legislature, the last one to convene under Governor Maw, include: modification of Nurse Supervision within the Department of Registration; enactment of an extensive Insurance Code to regulate all insurance companies and agents in the state of Utah which was placed under the Insurance Department within the Department of Business Regulation; assignment of the Central Utah Vocational School to the State Board of Education as a state school; and revision of laws and reorganization of the Department of Public Welfare relating to eligibility and administration of public assistance and relief.

CHAPTER VII: VARIOUS APPRAISALS OF THE UTAH REORGANIZATION

Through the mill-grind of legislative enactment, and in its practical operation, the reorganization program has been widely criticized. There has been much criticism of a political and personal nature. There has likewise been constructive observation. This chapter will treat various investigations and studies which have been conducted since the enactment of the reorganization program.

GOVERNOR MAW'S COMMITTEE ON INVESTIGATION OF THE REORGANIZATION PROGRAM

On October 16, 1942, Governor Maw issued a letter which appointed a committee to make an investigation of the operations of the state reorganization program. The committee established for that purpose included Heber Bennion, Jr., S. D. Huffaker, Oscar W. Carlson, and Lincoln G. Kelly. In a nine page letter* under date of January 2, 1943, directed to Governor Maw, the investigating committee reported its findings. The committee "contacted and interviewed all of the elective state officials, all of the commissioners and some heads of departments; and in all cases the committee was received with courtesy and with an attitude of willingness to cooperate...." The letter indicated that separate informal hearings had been conducted and that the discussions of each hearing had been summarized. It was the belief of the committee that frank and dependable viewpoints had been expressed, "embodying criticisms which reveal the 'rough spots' of the state reorganization program, together with constructive suggestions for improvement."

It was expressed that most of the commissioners generally approved the provision for the Finance Commission as the hub of the reorganization

*See Appendix for full text of letter.

program through which executive control of state services and finances could be exercised.

It was observed by the committee that in other states which had reorganized because of the complexity and size of state governments there was a distinct trend toward making the Governor a state manager. The Governor has become in fact and not in name only the chief executive by placing in his hands executive controls. In the opinion of the committee, Utah's reorganization program followed this trend but did not go as far as some states which have amended their constitutions to abolish the elective offices, substituting instead appointive offices, and thus bringing the entire state government under unified control of the Governor. The committee reported that building a program around the elective officials developed difficulties as witnessed in the confusion and friction which arose between the Finance Commission and the State Auditor relative to their respective duties. It was recommended that the duties of the State Auditor be restated and defined in the direction of a thorough independent post-audit of the state's affairs, with the provision that the Auditor be entirely relieved of accounting detail, the pre-audit, and the issuing of warrants, which functions should be taken over mainly by the Finance Commission.

The committee encountered a problem relative to the proper procedure concerning the inter-related functions and duties of the Finance Commission and the Board of Examiners in processing and passing upon claims. The Constitution makes incumbent upon the Board of Examiners the responsibility of considering and passing upon all claims against the state, except salaries fixed by law. In accordance with the Attorney General's

interpretation of the law, the Board of Examiners has approved a definite procedure under which the Finance Commission can perform its duties as prescribed by law by acting as agents of the Board of Examiners. This procedure had met with objection by some. The committee listed as alternatives to the above outlined procedure, none of which had met with much support, the following:

1. A constitutional amendment for the purpose of relieving the Board of Examiners of the responsibility of passing upon the claims.

2. Court action to determine whether the Board of Examiners can be relieved of such responsibility by statute.

3. A drastic change in the law setting up the Board of Examiners as the Finance Commission.

In their discussion of the Finance Commission itself the committee reported that "The Finance Commission as the center of controls in the reorganization setup is also the central target for complaints from all departments feeling the effects of the controls."

They expressed a hope that "...many of the reasons for complaints will disappear as the system becomes established; and criticisms will probably diminish as the personnel of other departments become accustomed to cooperate with the new setup." The committee then made specific criticism and suggestions relevant to the Finance Commission. On salary schedules the committee noted the general approval of job classification and salary schedules which provide standard equal pay for equal job service. However, the committee reported decided disapproval of the Finance Commission's power to fix salaries within adopted salary schedules as well as to veto requests for increases when the requested increases are within salary schedules and budget allotments. Provisions for appeal by any department to the Governor or the Board of Examiners should be

made for cases in which disputes arise over the authority of the Finance Commission. Simplification of forms and procedures was advised together with the recommendation that supplementary salary increases be granted to be effective throughout emergency periods. Objection was also observed relevant to the Finance Commission's power and practice of deciding the expediency or advisability of matters which are within the jurisdiction of other commissions. It was believed that "...the Finance Commission should not attempt to substitute its judgment for the judgment of other commissions as to the wisdom of any expenditure so long as the same is legal and in accord with approved work programs and within budget limitations." It was observed that some authorities recommend granting the Finance Commission authority to review proposals dealing with any such departmental matters within this disputed area of jurisdiction, but that the final decision be left with the department concerned.

Although centralized travel supervision had undoubtedly resulted in material reduction of total state travel cost, the committee recommended that in this area of the reorganization program there should be a simplification of requirements for travel clearance, eliminating such of the imposed red tape. Complaints of delayed action on purchases, in getting printing contracts, and in paying bills in time to obtain discount rates, caused the committee to recommend always prompt action by the Purchasing Department which otherwise appeared to be rendering good service. On the point of centralized accounting, which had met with considerable objection, the committee indefinitely suggested that "only careful study and experience can determine how far centralized accounting can be carried and recommends that the process be developed carefully, step by step."

It was believed that centralized mailing was saving the state considerable money in postage stamp leakage, but the administration of the system should be improved to dispatch mail promptly the day of its preparation. The committee observed, relative to budgetary control, that the present system of operating without definite budgets had caused considerable difficulty in all departments and had resulted in unwarranted antagonisms toward the Finance Commission. According to the committee,

The recommendation is quite generally expressed by commissioners and other state officials that the State Government Operating Fund should now be abolished--or reduced to an amount suitable for use for emergency purposes only--and that the statute providing for setting up definite departmental budgets, based on carefully developed work programs, should now be put into operation, and fixed appropriations to each department should be made by the Legislature.

The committee suggested that the number of special funds and continuing appropriations should be reduced and brought under budgetary control and the scrutiny of the Legislature.

It was further recommended that the various departmental advisory boards should function or be abolished by law; that the Governor hold regular "cabinet meetings" with elective officers and heads of departments; that the legal work of the state should be coordinated; that there should be closer cooperation between the Highway Patrol and the Engineering Commission in eliminating highway hazards such as ice accumulations; that provision should be made for greater cooperation and coordination of the Bureau of Criminal Investigation with local law enforcing officers; that the State Board of Agriculture should be authorized by law to make use of various existing agricultural organizations in lieu of the advisory board as now provided by law; and that the State Engineer should not be required to have the approval of the State Engineering Commission in the selection of his Chief Deputy and other employees and in making his purchases.

The investigating committee deemed it beyond the scope of its investigation to make any recommendations with respect to the merits of three-man commissions compared with individual directors for the Finance and other strictly administrative divisions of the Executive Department.

The letter reported that "This investigation and study leads your committee to the conclusion that Utah's State Reorganization Program is fundamentally sound...very substantial results have already been obtained in most of the departments, showing improved services at lower costs."

The committee then sagely observed that team work would be particularly effective in the administration of the program and recommended that cooperative effort could

...be developed and strengthened by providing for regular monthly meetings of the elective state officials to discuss and agree on policies affecting the state government as a whole, and particularly policies pertaining to the functions of the several divisions of the Executive Department of the state government as that department is defined in the State Constitution.

THE DEPARTMENT OF PUBLICITY AND INDUSTRIAL DEVELOPMENT CRITIQUE

In February 1948 the Department of Publicity and Industrial Development issued a laudatory report on the operation of the reorganization program. The publication of the report at state expense was objected to at that time by various political leaders and groups within the state. The reorganization critique was printed in the Publicity and Industrial Development publication, Utah Development News, as one of a series of articles entitled, "Know Your State Government."

In regard to the reorganization plan, the article stated (29, p. 1):

This program reduced the 59 departments and 18 agencies which made up the state government at that time to a new set-up which placed the state functions under twenty-one commissions, departments or boardsUnder the reorganized plan all related activities are grouped under one commission. This modernization of State government and its resulting economies were important factors in placing Utah in its present enviable position.

The article then launched into an extensive and elaborate discussion of the Finance Commission, which was characterized as the heart of the reorganization program. It was indicated that the Finance Commission is charged with the responsibility of examining all requisitions for proposed expenditures of the various departments of the state, which procedure creates many safeguards. The (§9, p. 2) "...careful checking sometimes generates ill-will toward the department for which it is in no way responsible. Its activities are in accordance with legislative mandates. The results are economies in the state government...."

After outlining the procedure of the Purchasing Agent in calling for competitive bids on state jobs, the article asserted that great savings for the state have resulted because of competitive bidding and quantity purchases. A series of examples of savings to the state through competitive bidding were listed (§9, p. 3), one of which is quoted here:

On a large printing job two printers gave preliminary estimates of \$17,000 and \$15,000 respectively. When bids were called for the Finance Department found a printer who would follow the same specifications and offer the same quality work for \$7,800--a figure fifty per cent lower than the previous estimates.

It was indicated that everyone has a chance to bid on projects of the state through competitive bidding, with the job going to the lowest responsible bidder. The report claimed that the examples it listed showed that the state saves thousands of dollars annually because of competitive bidding, which service is one of the functions of the Finance Commission.

The article also pointed out how, through salary schedules, discrepancies in salaries of persons doing the same type of work were eliminated. A discussion of travel regulations was concluded with the

assertion (29, p. 4) that "The Travel Division of the Finance Commission has saved the State thousands of dollars over pre-reorganization methods of control."

The article summarized (29, p. 4) findings in the following manner:

The actual amounts saved the taxpayers of the State through the centralized activities of the Finance Commission cannot be properly or accurately determined. Judgment of the benefits of the department should not be based on actual savings alone. The department under the reorganized set-up not only effects many savings but it renders continuous service to all departments of the State government.

There is a just distribution of State business among taxpayers and all purchasing is done on a strictly competitive basis. Through these many and varied activities the Finance Commission becomes a real service organization. Its careful control over the expenditure of public money creates many savings for the people of the State.

It is interesting to note the dissimilarity in the nature of the two foregoing critiques, both reported by organizations under Governor Maw. While both critiques bestowed praise upon the reorganization program, only that reported by the Maw Investigating Committee suggested modifications of the enacted system. A comparison of the recommendations of Maw's Committee on Investigation of the Reorganization Program with the record of legislation (Chapter VI, supra) enacted during the remaining years of Governor Maw's term of office is revealing.

The committee recommended that the State Auditor be relieved of all duties and functions except responsibility for a thorough independent post-audit of the affairs of the state. Accounting, pre-audit, and other duties should be transferred to the Department of Finance. The Twenty-fifth Legislature made the Auditor independent of all executive and administrative officers of the state, responsible only to the Legislature and the people of the state, and required him to post-audit all books and accounts of the state offices at least once per year. Many of his

administrative duties were retained, however. Duties of which the Auditor was relieved were transferred to the Finance Department.

The committee recommended that the various departmental advisory boards should function or be abolished by law. In particular, it was recommended that the State Board of Agriculture should be authorized by law to make use of various existing agricultural organizations in lieu of the advisory board provided by law. The Twenty-fifth Legislature abolished the Advisory Councils of the Department of Agriculture and the Industrial Commission. The Twenty-sixth Legislature abolished the Water Resources Development Advisory Council within the Department of Publicity and Industrial Development.

The committee recommended provisions for greater coordination and cooperation between the Bureau of Criminal Identification and Investigation and local law enforcement officers. The Twenty-fifth Legislature empowered the Director and employees of the Bureau to aid and assist but not displace local peace officers while local officers were to furnish information and work cooperatively with the Bureau.

The committee recommended the elimination of earmarked funds and continuing appropriations. The Twenty-seventh Legislature extended legislative control over the Emergency Relief Fund, the Highway Fund, and the Motor Vehicle Registration Fund.

DURHAM'S REPORT FOR THE TAX STUDY COMMITTEE

A third critique was conducted under the auspices of the Tax Study Committee established by the Legislature in 1945. The phase of the Committee's work pertinent to this thesis was undertaken by G. Homer Durham. His separate report (4) on the Utilization of Tax Resources by State Government in Utah is broader than the limits of

this present study. Therefore, only so much of the report as is relevant will be considered herein. Durham's report was issued in January 1947 in time for consideration by the Twenty-seventh Legislature.

Following previous inclinations, Durham again cited the need in Utah state government organization for a planning agency. Through several pages of discussion he outlined the purposes and organization of a proposed Legislative Council and emphasized the need for a legislative research and reference service in order to permit enlightened legislative enactments. This particular recommendation was related by Durham to his discussion on legislative reorganization, which is outside the realm of this thesis. However, inasmuch as legislative research necessarily includes large areas of administrative research and inasmuch as Durham recommended that the Governor make two appointments to a proposed council of fifteen members, this recommendation also has a relation to administrative organization and is therefore included here.

Because the Council of Defense was deemed no longer necessary and because the rehabilitation program under the Governor duplicated services of the Veterans Administration and the United States Employment Service, Durham suggested that these services be eliminated from the Governor's office. Durham further admonished the Legislature to repeal the authority of the Governor to appropriate Emergency Relief Funds because of tangled legal construction and because the Legislature was thereby prohibited from exercising its authority over appropriations, which authority is the province of the Legislature itself and not the Governor.

To strengthen the independence and value of the post-audit, Durham recommended that the few lingering administrative duties of the State Auditor be transferred to the Finance Commission, that the Auditor

review Finance Commission records in addition to other government agencies and report the correctness, adequacy, and propriety of the records to the Legislature and the public. As a means of strengthening the independence of the Auditor it was likewise recommended that the Auditor be elected during non-gubernatorial years and that he be eligible for re-election.

The majority of Durham's discussion dealt with fiscal and budgetary matters of state government. The addition of a financial control agency in 1941, according to Durham, brought to the state for the first time an adequate "house-keeping" agency which has shown great possibilities and an excellent record during its first four years. Suggesting that any opposition to the Finance Department is largely an outgrowth of failure to understand its role, Durham stated (4, p. 44): "One of the most important questions to be answered by this report is whether or not the Department of Finance has proved satisfactory. The answer is a solid yes, providing that the agency can be rescued from certain legal embarrassments...." In this most important regard Durham agreed with the two previously-discussed critiques. Listed as excellent service and control rendered to the state by the Finance Department were salary schedules and job classifications for all state employees, authority to examine and approve or disapprove requests for personnel, centralized control of travel expense, centralized budget and accounting control over all state departments, and centralized purchasing of all needs of state administrative departments.

Perhaps the most serious "legal embarrassment" hampering the operation of the Finance Department is the same one noted and discussed by the Law committee pertaining to the inter-related functions and duties

of the Finance Commission and the Board of Examiners in processing and passing upon claims. In accordance with opinions of the Attorney General (5, p. 83, 135) the Board of Examiners issued a memorandum rule November 19, 1941, under which the Finance Commission operates as agent of the Board of Examiners in passing upon claims. To provide a more sound legal basis for the Finance Commission, Durham recommended (4, p. 50) a constitutional amendment--"Until otherwise provided by law..."--relative to the Board of Examiners' duty to audit claims. Such an amendment would enable the Legislature to determine who should have the power to audit claims and control state finances.

A difficulty in regard to legislative appropriation was encountered anew by Durham in his analysis of earmarked funds and the General Appropriations Act. The existence of special funds not subject to legislative control and appropriation has frequently been a target for criticism and has been objected to in all the studies and reports encountered during this research. Attorney General Giles had ruled (7), on August 12, 1946, that special fund statutes are controlling over all subsequent appropriations acts and (6, p. 149), on May 14, 1943, that no appropriation found in previous statutes may be affected by biennial appropriations acts unless each particular section as amended is re-enacted and published at length, in accordance with procedures outlined in the Utah Constitution.* As a practical matter, to eliminate the difficulty for legislative financial control, Durham advocated a Department of Finance recommendation (27) that the Legislature re-enact and publish at length each statute which sets up such special funds. Statutes relating to the Liquor Control Fund, Tax Commission monies, funds for the Department of Fish and Game, funds for

*Article VI, Section 22.

the Department of Engineering (Road Commission), and the Department of Public Welfare were recommended for the above treatment. In addition, it was recommended that the Governor's power over the Emergency Relief Fund be withdrawn, as previously mentioned herein. The above recommendations, together with recommendations that the School Lunch Fund, which issues from liquor profits, and certain monies of the Department of Publicity and Industrial Development be brought under legislative appropriation, would permit, for the first time in many years, legislative control over a true executive budget of the state finances. A recommendation made by Durham in conjunction with his proposal for legislative control of special fund appropriations was that the Legislature should discourage and discontinue granting supplementary or contingent funds for the Governor or Board of Examiners to allocate in lieu of authorizing deficits. This recommendation suggests the elimination of much of the authority of the Board of Examiners and, considered together with the proposal to eliminate the authority of the Board of Examiners to audit claims of the state, there would seem to be little justification for retaining the Board of Examiners provided by the Constitution.

To give the Governor greater opportunity to survey and recommend the budget to the Legislature, Durham proposed a statutory amendment which would require the Budget Officer to submit the budget to the Governor or Governor-elect by November 15, rather than by the first Monday in January as now required. To facilitate understanding and to simplify enactment of the budget, Durham also proposed that the form of the budget should be changed to include three major divisions called "Titles". "Title I" would include the General Fund appropriations under four sub-divisions, "Title II" would include Special Fund appropriations embracing five sub-divisions, and "Title III" would include Trust and other Funds except

General and Special. An accompanying recommendation was made to substitute lump-sum appropriations for segregated line-item appropriations.

Observations and recommendations on administrative organization in the concluding chapter of Durham's report are interest-provoking and fascinating when compared with previous views and observations of Durham! Consider for example his suggestion (4, p. 71) that

The Liquor Commissioners and their task should be evaluated, and the question considered as to whether or not their status should not be equal to the commissioners of Agriculture, Business Regulation, Engineering, Finance, Industrial Commission, and Public Welfare.

The commissioners referred to are removable only for cause. In 1940, Durham listed (2, p. 17) as a principle basic to state reorganization, "...1) Provisions insuring the executive leadership of the Governor (...power to appoint and remove department heads)." In his preliminary report for the Tax Study Committee, submitted only a few months prior to the final draft herein discussed, Durham wrote (3, p. 5) that there should be a single administrator of the Department of Finance appointed by the Governor and removable at the Governor's pleasure.

The final draft of the Durham report apparently sanctioned three-man commissions with the declaration (4, p. 52) that the independent character of the Finance Department, due to its three-man commissionerships staggered over six-year terms, need impose no restrictions on harmonious relations. Durham further wrote (4, p. 71, 72) that although three-man commissions find considerable justification in administrative literature and experience for the Utah departments, "...there seems to be no justification for three heads to a department [sic] of Publicity and Industrial Development. It is therefore recommended THAT THE COMMISSION OF PUBLICITY AND INDUSTRIAL DEVELOPMENT BE REPLACED BY A SINGLE COMMISSIONER...." Durham did not discuss any differences between the

character of the various Utah departments nor did he give any reasons why the Department of Publicity and Industrial Development should have only one administrator while each of the other departments should have three commissioners.

In 1940, Durham listed (2, p. 18) as a principle of reorganization "...4) Replacing ordinary boards and commissions performing ordinary executive tasks with single officers, except where such boards (e. g., the Industrial Commission in Utah) perform quasi-legislative and quasi-judicial functions." In his preliminary report for the Tax Study Committee Durham recommended that the Legislature replace the three-man commissions with single officers responsible to the elected Governor except in those departments performing judicial and legislative functions. Durham eloquently wrote (3, p. 11) in his preliminary report:

It is heard frequently that the purpose of the three-man commission in Utah administration is to afford representation to the minority as well as the majority party in power. This report feels and urges the consideration that party representation and party compromises are adequately cared for in the legislative and elective processes. Policy is the result of party compromise. Why compromise administration with partisan considerations when efficiency and effective service is the watchword?

Another instance in which Durham ceased his crusade for an administrative principle pertains to personnel in state government. Although Durham praised highly the work of the Utah Merit System Council, which exercises jurisdiction over only approximately one-sixth of the state government employees exclusive of those in the state college and university and the State Board of Education, he defended (4, p. 72, 73) the political system, which controls most state employees, in the following manner:

Although Utah does not have a state "merit system," governing personnel in general departments, the reorganization of 1941 does

permit the maintenance of good people, providing good people are recruited. Some agencies, such as the Tax Commission, have a good reputation for tenure and quality. Other agencies have a more "political" flavor. The nature of things is such, however, that low quality personnel will hardly be tolerated for any period of time in Utah politics. The three-man commission system, with staggered terms of six years each, pretty well insulates State employees from post-election turnovers and wholesale political hirings. Moreover, the powers of the Finance Department over personnel, if enforced, afford basis for protecting employees of standard competence. The present incumbents of State office, Democrats and Republicans, have reported to this investigator, their dislike of the "merit system." Obviously the burden for maintaining reasonable tenure for efficient people, and eliminating inefficient or corrupt employees, is on the department heads.

In sharp contrast are earlier recommendations of Durham. In 1940, he emphatically expressed the need for extensive civil service legislation and enforcement. Declaring that recent years had brought changes which made a uniform merit and personnel management system a basic necessity in Utah, he expressed his hope that the Legislature would no longer delay the establishment of such a system to cover all state employees. In Durham's preliminary report for the Tax Study Committee he urged the prohibition of removals in the Department of Finance for purely partisan reasons, the prohibition of involuntary assessments and assignments for political purposes, and declared that reasonable tenure should be secured for efficient employees.

It does not appear that Durham's recent shift is a fundamental change of mind nor a permanent abandonment of the administrative principles he formerly espoused. This assumption is based upon clues found within his final report for the Tax Study Committee. Durham wrote that if independence in office is desired then the commissioners in purely administrative departments should be removable for cause only. He also found an apparently general dislike among state officialdom of the merit

system. A report of the nature of the one Durham rendered can be of most value if it seeks a working improvement in administrative practices under prevailing circumstances rather than by sounding a demand for more extensive improvements not immediately attainable. The large amount of sentiment against a merit system must have indicated to Durham great difficulty in any attempt to inaugurate such a system at that time. Therefore, he called for a curb on executive authority to prevent any possible dictatorial practices. The curb was the extension of the independent departmental commissions of three men having overlapping six year terms and removable only for cause. This is the type commission which the 1941 Legislature provided for most of the state departments, apparently from fear of granting too much authority to the chief administrator, the Governor. Under such circumstances, Durham's recent position may be justified.

So far as principles of government are concerned, however, this study has encountered no information to suggest that Durham's former position was untenable. Political dislike of the merit system does not make it a bad system! The three-man commission system, with staggered terms of six years for each commissioner, continues departments as independent and hence is a serious departure from a major purpose of reorganization. The extra-legal means, employed by J. Bracken Lee upon his ascendancy to the governorship, of obtaining resignations from numerous commissioners suggests the little value independence of the commissioners has in insulating state employees from the "spoils" system. Durham argued that the reorganization of 1941 permits the maintenance of good people, provided good people are recruited. The "spoils"

system, however, is notorious for the great opportunities it affords unqualified people. Recruitment upon merit is a much more satisfactory way to obtain good people for government service. This study suggests there is greater virtue in a system which recruits good people and protects them through a merit system than one which recruits by political appointment for party loyalty and affords dubious protection by the staggered terms of three-man commissions.

As a concomitant reform with civil service, the appointment of single administrators for state departments, removable at the pleasure of the Governor, would contribute to the recruitment of good administrators if the Legislature would provide for greater scrutiny and examination of a nominee and his qualifications prior to confirmation.

Although only one Legislature convened after the submission of the Durham report of the Tax Study Committee during the period which this thesis surveys, two rather significant legislative provisions were enacted as a result of Durham's investigations. Broad powers of control over the Emergency Relief Fund, which authority had been the Governor's since 1933, were repealed in accordance with Durham's suggestion. Partially under the influence of Durham's budgetary recommendations, the Legislature extended its control over certain other earmarked funds. Perhaps more significantly, in response to Durham's proposal, the Legislature provided for a Legislative Council as a research and reference organization for the Legislature.

SCHLEICHER AND DURHAM TEXT

A textbook on Utah and its government by Schleicher and Durham, published in 1943, devoted a section to the 1941 reorganization of Utah

CHAPTER VIII: SUMMARY AND CONCLUSIONS

SUMMARY

Utah's reorganization has been part of an extensive renaissance movement in American democratic government. The Utah episode was nurtured and accelerated by numerous forces--individual and group. Significant principals in the Utah effort have been Governor Herbert B. Haw and the Twenty-fourth Utah State Legislature. The influence and effort of many others have been immeasurable. Reorganization forces ceaselessly exert new influences. The Utah pattern reveals diverse parts--practices which have been proved governmentally sound and theoretically desirable, and less satisfactory features which preclude the adoption of more effective forms.

The extent to which both party and administrative partisanship has been injected into the Utah reorganization development has detracted from its effectiveness. Partisans may point out areas where money has been saved. Antagonists may likewise show increased expenditures, which argument may be nullified by partisan explanations that such increases were the result of war economics, increased demands for services, and other factors which were not susceptible to control by the reorganized administration. The difficulty of determining actual monetary savings resulting from the reorganization is readily apparent. Whether or not greater efficiency has resulted from Utah's reorganized administration is similarly difficult to determine. It may be agreed that that structure of government is best which minimizes the possibility of delay in operation and which reduces the effect of personal differences and antagonisms upon the operation of a democratic government. Objectively, this is difficult to determine inasmuch as under a persuasive and diplomatic administrator, supported by a competent and willing staff, one

structure of government may work with exceedingly great efficiency while with other individuals such a structure may reveal astounding shortcomings.

Under "Purposes and Limitations" of reorganization (Chapter II, supra) it was suggested that better performance of administrative duties rather than reduction in costs of government is the justification for reorganization. The former discussion advanced the idea that better performance would be the result of balancing efficiency with the promotion of justice and the protection of democratic liberties. Reduction of governmental costs was rejected as a purpose because the experiences of other governmental jurisdictions have demonstrated the negligibility and insignificance of anticipated cost reduction. Leiserson suggested that the nature of the economy to be expected from reorganization is that of giving proper consideration to the specific question of whether or not particular expenditures are justified. Two criteria which illuminate reorganization efforts are, then: (1) better performance by balancing efficiency with justice and liberty, and (2) justification of expenditures.

Early in the course of investigation for this thesis Henry R. Pearson, Director, Utah Foundation, indicated that his organization had undertaken an investigative research in 1943 to evaluate the reorganization of the state government but had found it necessary to abandon the project because of the inaccessibility or lack of adequate information to justify their research efforts. A Utah Foundation study, however, indicated (24, p. 13) that state expenditures for general administration and control for the fiscal years 1937, 1938, 1939, 1940, and 1941 were \$1,052,716, \$1,556,460, \$1,531,072, \$1,292,739, and \$1,100,414 respectively,

while for the fiscal years 1942, 1943, 1944, 1945, and 1946 such expenditures amounted to \$1,093,531, \$1,203,023, \$996,936, \$1,260,142, and \$1,321,537 respectively. It is noticeable from such figures that there was a net decrease of \$658,232 in state administrative costs during the five-year period following reorganization under the five-year period preceding reorganization. It was also reported that total state expense and non-expense disbursements for 1937, 1938, 1939, 1940, and 1941 were \$26,047,402, \$27,672,301, \$33,807,629, \$28,205,189, and \$31,832,414 respectively, while such disbursements for the years 1942, 1943, 1944, 1945, and 1946 amounted to \$38,705,694, \$44,504,953, \$49,063,214, \$47,580,775, and \$50,445,637 respectively. Thus, for the five-year period following reorganization there was an increase of \$32,760,338 in total state expenditures over the five-year period preceding reorganization. Hence, during the five years following reorganization a considerably larger total state business was administered for a generally smaller cost. It would appear that this is the sort of savings which had been sought by proponents of reorganization. Because of the new fiscal controls, the Department of Finance was able to report (28) that "During the first two years under these requirements, travel expense for State employees was reduced by \$173,000.00."

After showing a proportionate increase in administrative costs greater than the proportionate increase in Utah's total state business during the six years immediately preceding the state reorganization, Governor New declared (20):

The cash disbursements of the state for the first fiscal year after the reorganization got under way amounted to \$7,633,475.91 more than they were during the last year of the old plan--an increase of 25.17% in the state's cash business, for during the

fiscal year ending June 30, 1941, it was \$30,328,026, while in the 1942 fiscal year it amounted to \$37,961,502. Without the effects of the reorganization program the percentage of increase in administrative costs, following the pattern of previous years, would have probably been much greater than the 25.17% increase in the state's cash business. Instead, they were less. The departments performed the same services during the year ending June 30, 1942, as were performed during the previous fiscal year at a cost of \$7,229,511.05, as compared with \$7,746,997.48 for the 1941 year, making a savings in administrative costs of \$407,586.43.

For the first time in many years and perhaps in the history of the state, the costs of government decreased, while the volume of state business increased.

The discrepancy between the figures of the Utah Foundation and Governor Maw apparently results from the difference in expenditures included. The Utah Foundation stated that their administrative figures were over-all administrative expenditures which had general application to all functions of state government rather than being limited to one department. Governor Maw undoubtedly included a wider category. It is significant, however, that both sets of figures reveal a downward trend. The differences between the two sets of figures also demonstrates their vulnerability to dispute. Whatever may be the criticisms of antagonists of reorganization, however, the above figures suggest, at least, that Utah's reorganization was not responsible for any serious increase in costs of administration. Although certain economies are apparent from the above, attendant increases in costs elsewhere, under the circumstances of the period examined, make comparisons of economies consistently difficult.

Economy of reorganization, in a more important sense, can be reflected in centralized financial control of public money and the extension of legislative authority over earmarked funds. Lack of such control permits graft, illicit use of funds, and great waste. The economy is

inherent in the reduction of opportunity for illicit diversion and wastage of funds. There is likewise economy in standardized salary schedules, position classification, and attendant reforms which reduce causes for dissatisfaction among employees. Such reforms are closely correlated to the reorganization purposes of assuring justification of expenditures and seeking better performance through a balance of efficiency with justice and liberty.

How satisfactorily has Utah's reorganization fulfilled these purposes?

Because of the pressing need for administrative reforms in Utah by 1941, Governor Maw should be credited with performing a duty incumbent upon him as Governor of initiating the reorganization program. White has stated (30, p. 181) that reorganization should be a continuing process and that the principal responsibility for it must rest in the executive branch. With this as a standard, under the circumstances of the Utah administrative organization prior to 1941, Maw would have been derelict in his responsibility if he had not called for a major overhaul of the Utah system. In the face of apathetic attitudes and a normal opposition to the status quo which frequently generates against reform, Maw consistently crusaded for reorganization, for which he should be given credit.

The structure of reorganization greatly reduced the number of departments which eliminated considerable overlapping of services and functions and permitted better coordination and integration. Subsequently created agencies and services by the state Legislature were incorporated into the existing pattern with no need for new administrative forms. This demonstrates the flexibility of the structure which permits growth while maintaining its coordinated hierarchy.

The introduction of centralized financial controls in the form of the Department of Finance was the primary innovation of the Utah reorganization and is the most significant of all reforms. The Department exercises financial control over the money appropriated by the Legislature to the spending agencies of government. Centralized purchasing and competitive bidding on state projects diminish opportunity for illicit use of funds. Supervision of travel has eliminated much of the opportunity for "joy-riding" and use of state vehicles for private activities. Standardized salary schedules and classification of state positions have eliminated many of the former inequities.

The above enumerated reforms were recommended by all who made studies of Utah's needs. It is commendable that they have been adapted to the Utah system. It cannot be verified, however, that Utah's reorganization contributed "vast" and "tremendous" savings of "thousands" of dollars, as repeatedly urged by Governor Maw and others, and which was expected by still others. The consensus of authority in the field of public administration and political science, however, eliminates financial savings as a major purpose of reorganization.

Recommendations of Governor Maw which are not in accord with principles expounded by public administration authorities are found in his original message to the Twenty-fourth Legislature and in House Bill Number 82 of that session which the Governor authored. Such features were three-man commissions in line departments; accounting, supervisory, and control duties for the elective State Auditor; an annual post-audit by private certified public accountants hired by and responsible to the Governor; and a spoils system of state employment by commissioners and

heads of the departments and agencies of the state. All of the above features were incorporated into the reorganization as enacted. They are herein listed as shortcomings of the enacted reorganization. It is notable, however, that upon Governor Haw's later recommendation and by action of subsequent legislatures the State Auditor is now virtually free from all duties except a continuing post-audit of the state's affairs.

CONCLUSIONS

One of the more important contributions an historical thesis can render is the recommendation of improvements based upon the experiences of ferretting out the history thus written. The insight gained from probing the Utah governmental period which this thesis documents and chronicles, an intimate contact with the writings and theories of political and public administration authorities, and an unhurried opportunity for reflective thinking have engendered certain beliefs relative to Utah's government.

A belief which has developed with increasing clarity during the course of this research is that if the present administrative organization, enacted by the Twenty-fourth and subsequent Legislatures, continues unchanged, under various chief executives it will respond to adaptation according to each governor's wishes by use of extra-legal methods and coercions (i. e., forced resignations of commissioners as under the present incumbent). The system will permit--with too great facility--dictatorial, incompetent, and, also, democratic administration. This should not be considered as an effort to discredit the increased authority extended the chief executive under the 1941 reorganization. Rather,

the approval of increased legal authority will be proposed, together with additional and more satisfactory safeguards upon the extension of such authority. It is believed that these recommendations, while largely in accord with the experiences of other jurisdictions and the principles expounded by political scientists, will enhance Utah's government by adhering to the purposes of reorganization discussed earlier in this chapter: (1) to obtain better performance by balancing efficiency with the promotion of justice and the protection of democratic liberties, and (2) to assure justification of governmental expenditures. It is earnestly proposed that the following recommendations, if enacted into law, be enacted jointly to be most effective. It is conceivable that unanticipated evils may arise if some features are enacted into law without the enactment of certain of the remaining recommendations.

To this end the following recommendations are advanced:

(1) The leadership of the Governor, and his executive control and authority, should be recognized more fully by elimination of the plural executive and the replacement of three-man commissions in line departments with single administrators removable at the pleasure of the Governor under authority of law instead of by coercive methods. This is suggested to establish more definite and clear-cut responsibility by granting authority to perform activities and by establishing responsibility if such activities are omitted or improperly performed.

(2) A state-wide civil service system should be adopted.

(3) Appropriative control and review by the Legislature of all state finances should be extended, deficit appropriations should be eliminated, and budgeted programs for all state departments should be adopted.

(4) A more inclusive planning agency should be adopted.

(5) Legal restraints and encumbrances upon the Department of Finance should be eliminated by relieving the Board of Examiners of its duties by constitutional amendment and statute.

(6) A compact Administrative Code should be established for greater simplification, interpretation, and understanding of administrative functions of the state.

Recognition of the Leadership of the Governor

The report of the Committee of Nine recommended the retention of Utah's elective officers, but by granting them status as heads of departments and members of a regularly used and reliable Executive Council. The Committee's proposed organization, however, would have subordinated the elective State Treasurer to an appointive State Comptroller. Obviously, such a relationship is undesirable, but it would be difficult to make any other placement of the Treasurer. For this reason, and because the 1941 reorganization did not functionally blend the plural executives into the framework of organization, it seems proper to seek a more satisfactory relationship. The inadequacy of the present system is dramatically evident in the inter-party and political feuds between the present Governor, of one party affiliation, and the other five executive officers, of another party affiliation, and each of their subordinates. The constant bickering adversely affects morale of state employees, reducing harmonious relationships and efficient administration. Pending constitutional amendments, passed by the Twenty-eighth Legislature and presently awaiting ratification by the electorate in November 1950, would eliminate one of the present elective executives, the Superintendent of Public Instruction, making him an appointed official by the

State Board of Education. In 1939, after an extensive study, the Educational Policies Survey Commission similarly proposed the removal of the Superintendent of Public Instruction from politics. In this connection, the Utah Foundation, in February 1949, proposed a constitutional amendment which would have discontinued the office of State Auditor as an elective office, substituting therefor a State Auditor appointed by the Legislature. Durham has also recommended at various times the abolition of the constitutional offices. In the interest of harmonious and efficient administration, it is therefore recommended that all of the elective state executive offices, except that of Governor, be eliminated by constitutional amendment; that the Constitution be further amended to permit statutory provision for succession to the office of Governor in event of the incumbent's death or resignation; and that duties now performed by the present elective officers be allocated among state departments in accordance with principles of integration and consistent with democratic philosophy.

One of the most highly controverted aspects of Utah's reorganization is the three-man bi-partisan commission system of governing the state departments, which Governor Maw recommended and the Legislature enacted. The various commissioners have overlapping six-year terms and most of them are removable only for cause. This presumably insulates them from executive whim and makes them independent of the Governor. A highly unusual feature of the Utah Reorganization was the creation of consultive Advisory Councils for most departments which duplicate, in effect, the commissions.

Governor Maw has indicated on various occasions that he personally preferred the single administrator in all but the quasi-judicial agencies, but recommended three-man bi-partisan commissions after having been

prevailed upon by members of the Legislature because he believed it was an expedient compromise he must make in order to have the reorganization program passed. W. R. White, Democratic member of the House of Representatives during reorganization enactments, has reflected the contrary view of many that the Legislature adopted three-man bi-partisan commissions because of the Governor's wishes. This study does not purport to establish responsibility for the inclusion of three-man bi-partisan commissions in Utah's administrative reorganization. The fact that each side seeks escape from responsibility seems to be the more significant! Considered together with other facts it reflects an effort to establish independent departments which are contrary to principles of administrative organization. As is evident from the activities of the present gubernatorial incumbent, the bi-partisan commission (no more than a majority are members of the same political party) greatly facilitates political coalition. Rather than making the commissions non-partisan, such an arrangement facilitates patronage to both parties through a bi-partisan combination.

The overlapping six-year terms of the multiple commissioners in Utah tend to perpetuate the independence of state departments, which was one evil the reorganization ostensibly set out to cure. Such independence, among other things, was to afford administrative personnel and employees greater protection from political firing each time a new incumbent becomes Governor and to permit continued familiarity with departmental business by those who are to perform it. A much more satisfactory method of assuring adequate performance of departmental business would be to provide for merit system personnel, with adequate tenure to survive political elections turnovers, and to provide for single department heads, appointed

by and removable at the pleasure of the Governor. This would give executive control where control is needed and at the same time would assure a continuity of performance and familiarity with the functions in each department. Differences between the Governor and each department head could be solved by removal of the department head if the differences were personal. If organic to the best interests of the department, the differences would likely persist through the permanent employees and successive heads of the department until the Governor would become convinced of his error. Such relationships would minimize the harm to the performance of departmental responsibilities and also the inter-harmony within the state administration. They would more fully augment the Governor's authority to "see that the laws are faithfully executed." If an administrator were not faithfully executing the laws the Governor would become responsible for removing him or for perpetuating him in office.

Leonard D. White has suggested (30, p. 81, 82) that we start with the proposition that a conclusive case for the universal adoption of either the commission or single administrator form of structure cannot be sustained. He urged that we inquire what advantages and disadvantages inhere in each type, and what administrative circumstances seem to call for the use of each method of organization. He wrote:

The "direct performance of work" in a field where major policy and objectives are generally accepted, where standards are well developed, and where the public interest is well defined and broadly recognized, normally calls for agencies managed by a single administrator.... Most government work falls in this class.

On the other hand the discovery and formulation of policy through specific decisions in particular cases or through inquiry and the promulgation of general rules and regulations, subject to the often vague phrases of the law; the exercise of wide discretionary or controlling powers affecting important private interests

of persons or property; the exercise of coercive power in controversial areas; the protection of administrative integrity against hostile outside pressure--these situations may call for action by a commission. Even in these cases single-headed departments may operate satisfactorily, as for example the United States Department of Agriculture.

Even where a commission appears desirable, White indicated it is advantageous for the commission to carry out its decisions through a single responsible executive officer. Such an arrangement facilitates a clear segregation of the quasi-legislative, quasi-judicial, representative functions of the organization from its day-by-day operations. Substantially universal experience demonstrates the fatal weakness of the direction of day-by-day operations by a plural body. He concluded (30, p. 83, 84):

...the burden of proof is on the advocates of a board in preference to an administrator. Exigent demands for unity of purpose, for energy in execution, for well-defined responsibility, and for easy coordination press strongly in favor of one official rather than for conjoint authority. While commissions at times operate smoothly and energetically, they often develop friction and conflict among their members. Differences spread inevitably into the subordinate staff, forming factions, one of the worst types of administrative plague. The commission is not an agency for effective management, and resort to it must be clearly indicated for reasons already suggested--reasons which rest on the superior claims of healthy social adjustment and protection of socially important interests of individuals or groups.

Millett, writing on working concepts of organization, has argued (12, p. 150) for the concept of unity of command:

Much importance is usually placed upon the construction of an administrative arrangement wherein each person has only one superior to whom he looks for direction. In such a setup an individual cannot receive conflicting instructions, or play one superior off against another, and thus escape effective supervision. On the other hand, when the subordinate is subject to multiple sources of command, confusion may arise and responsibility for action may be difficult to fix.

As a further point, Millitt emphasized (12, p. 150, 151) the importance of achieving responsible government under democratic precepts:

Administrative responsibility is of especial concern in a democracy. Our great governmental machinery must be kept responsive to changes in political opinion. When party control in the presidency changes, for example, we expect the new incumbent to be able to make his policies effective throughout the administrative agencies of government. Yet an unequivocal adoption of this policy has never occurred either in our national government or in most of our states and cities. Instead, we have used in many instances a different kind of arrangement, which has led to another concept--that of administrative autonomy.

The practice of creating boards and commissions to exercise administrative authority is fairly extensive throughout federal, state, and local government. Many students will readily accept the famous dictum that boards are "long, narrow, and wooden." There is undoubtedly a place for boards in administration as deliberative or consultative devices. However it is quite widely recognized now that any activity requiring positive action and leadership can best be directed by a single individual.

Others share (13, p. 104, 105) these opinions and write vigorously in favor of single administrators.

In view of the foregoing discussion, it is recommended that single administrators, appointed by the Governor and removable at his pleasure, appointment to be confirmed by the Senate, replace the present commissions in all state departments except the Department of Business Regulation, the Industrial Commission, and the Tax Commission.

It would not be advisable to make the above recommendations without making concurrent recommendations for safeguards against abuse of the suggested increased authority through legislative surveillance of the Governor's administration to insure democratic and efficient government. The recommendation (26) of the Utah Foundation to make the State Auditor the appointive agent of the Legislature and responsible to it for a continuous post-audit of the spending agencies of administration is one

feature which would have particular significance in checking any abuse.*

State-wide civil service

As a conjoint recommendation with the extension of executive authority to appoint and remove at will single department heads, a thorough state-wide civil service system should be inaugurated to prevent abusive personnel practices, to recruit by merit, and to give added significance to the state retirement systems by assuring reasonable tenure for satisfactory performance. If single administrators subject to appointment and removal by the Governor replace the present semi-independent commissions, the little degree of protection state employees now have against executive removal will have been eliminated. A merit system will have the effect of raising the morale of state employees and assuring continued familiarity with state projects and activities each time a new incumbent takes over the Governor's office--in pursuit of one of the major purposes of reorganization of gaining better performance and efficiency.

A partial merit system first became effective in Utah in 1937 as a result of the Federal Social Security Act of 1935 and amendments of 1939 which prohibited federal grants to states which did not have ascertainable civil service systems. The incomplete system, which has been excellently administered in Utah since its inception, covers only a part of the employees in each of the Departments of Employment Security (since 1937), Public Welfare (since 1940), and Health (since 1941). The Twenty-sixth Legislature passed a Highway Patrol Civil Service Act in 1945. A bill to establish a merit system over all state employees was passed in 1947 by the Senate of the Twenty-seventh Legislature, but was defeated in the

*For an elaboration of this recommendation see the original report.

House. Therefore, employees of the state of Utah continue to be divided under two widely divergent systems of personnel administration-- approximately one-fourth of them are covered by civil service while the remaining three-fourths of them are governed by the political "spoils" system.

Pertinent to the premise advanced herein that administration of Utah's state governmental functions will be enhanced by the inauguration of a state-wide merit system, Leonard B. White has written (30, p. 483, 484):

Reflection upon the conditions which have depressed the morale of the public service in this country leads to the opinion that one of its greatest handicaps has been political interference in administrative circles. Politics has time and again disrupted an effective organization by replacing its members with party henchmen who clamored for their reward. Politics has often broken the morale of public office or institution by prostituting it to partisan ends. At times politics has played havoc with the very purpose for which an administrative agency exists, not on the ground of public policy but for immediate party advantage. Politics has driven fear into the hearts of the permanent employees under the merit system as well as the members of the precarious "political branch" of the public service; and fear destroys morale. These conclusions do not refer to the consequences of changes in public policy, which may and often must bring in their train changes in administration and administrators; they are concerned only with the consequences of narrow party intrigue, with a mean type of temporary personal dictatorship for purely partisan or personal gain, with the effort to ensure continued dominance of a party machine irrespective of the effect upon the public service.

In refutation of the argument the political party requires patronage both for effective party control of policy and for party financial survival, White has written (30, p. 325):

Political parties are an essential characteristic of a self-governing people, and to preserve the party as an effective organ of opinion and organizer of elections is an important object of public policy. The practical issue is, where can parties obtain the necessary funds to enable them to perform their functions? Contributions might come from large corporations and individuals of great wealth; from organized economic groups and interests,

such as labor, capital, agriculture; or from public treasuries on a per capita party membership basis. No one of these is free from serious objection.

These are not, however, the only alternatives to the currency of patronage. The La Follettes, father and sons, maintained an effective state-wide party in Wisconsin for a generation with almost no patronage. They depended upon the voluntary effort of those who believed deeply in the political program for which these leaders stood. Mayor Daniel W. Hoan was reelected chief executive of Milwaukee without a break from 1916 to 1940, the candidate of the Socialist party which had neither local nor state patronage. It was financed by small voluntary contributions and by unaided work. The City Charter Committee regularly defeated the Republican party in Cincinnati after 1926, without the aid of patronage. Hundreds of small cities throughout America, the lesser Middletons, carry on their party campaigns without patronage.

Parties now have more patronage than they need, and much more than serves the public interest. In fact, a healthy party system in a democracy needs little support from patronage. Professor Charles E. Merriam has put the matter most cogently. "As party principles and policies rise, the spoils system sinks. The party system and party spirit do not need spoils. On the contrary, they are incompatible; and the stronger is the one, the weaker is the other."

* * * The case for a nonpartisan civil service rests squarely upon the public interests in the impartial, competent, technical management of public affairs. * * *

A civil service organized and maintained without respect to the shifting needs of party or faction can pursue these ends. A civil service buffeted here and there at the dictation of the party in momentary control must sacrifice the common interests of all citizens to the special demands of some.

This study suggests there is greater virtue in a system in Utah which recruits good people and protects them through a merit system than one which recruits by political appointment for party loyalty and affords dubious protection by the staggered terms of three-man commissions.

Extension of administrative control and review by the Legislature

Governor May, in addition to many others, was originally critical of earmarked funds. Before the regular session of the Twenty-fourth Legislature he declared (17, p. 30):

...it is against the principles of sound economy to permit a few commissions and department heads to expend three-fourths of all

of the State's revenues without any adequate legislative and executive control over such expenditures.

Economies amounting to hundreds of thousands of dollars can be made if the legislature will: (1) Repeal all laws which make these funds available to the commissions and boards referred to herein; (2) Budget and appropriate definite amounts to each of them for administrative purposes; and (3) appropriate the remainder of the revenues from each of the above named sources to a public official or group of public officials who are elected directly by the people, and who are clothed with authority to control the manner in which the gasoline tax should be spent on roads, the sales tax spent for relief, and the hunting and fishing license fees be spent by the Fish and Game department. In addition, there should be appropriated to the Land Board a definite amount from the funds administered by it and not a per cent of these funds, to cover their administrative costs.

It is obvious that the Governor was opposed to earmarked funds and their expenditure without legislative and executive control. The Legislature, under various influences, several times attempted to enlarge their appropriative control, but failed, until 1947, because of improper procedure. Governor May had suggested the proper procedure when he asked for repeal of all laws which made the funds available to the departments and commissions. However, he suggested only legislative appropriation for administrative purposes. His recommendation in (3) above would have further removed appropriative control from the Legislature inasmuch as he asked for bulk appropriation to, presumably, himself or the Board of Examiners who would have determined the spending policies of the spending agencies. This would have been a denial and subversion of departmental planning of state activities and legislative control of appropriations. Added to the chief executive's control over Emergency Relief Funds, it would have amounted to a monstrous deficit fund approval policy.

Before the second special session of the Legislature in 1941, which was convened for the purpose of approving the first budget for the newly

reorganized administration, Governor New declared (19, p. 7, 8, 9, 11):

My observations since taking office have convinced me of one thing--that is that the method of making appropriations, practiced by past legislatures of our state is wasteful. Material savings cannot be effected under it. It is wasteful in the first place because no one knows--nor has anyone attempted to find out, through careful investigation--how much the various state agencies actually need to operate efficiently and at the same time economically* * * In the second place the system is wasteful because it is impossible to accurately determine for two years in advance, especially during changing times like these, just what the various services will require.

The budget bill which has been prepared for your consideration provides for appropriations to the several state agencies in amounts intended to cover only the salaries of officials and employees and office operating expenses. The bill provides that all other general fund incomes for the biennium shall go into a special fund to be known as the "State government operating fund" from which the Governor, by and with the consent of the Board of Examiners, may pay for all of the travel, equipment, repairs, building, postage, premiums on insurance policies, special projects, additional labor and other requirements of every department of state.

As was pointed out in my message to the regular session of the twenty-fourth legislature, about eighty per cent of the moneys spent by the state is earmarked. It is my opinion that these funds should be brought under more direct administrative control During the next biennium a careful study will be made of those earmarked funds and recommendations will be presented to the next legislature concerning them. With that in mind I have no proposals of changes in the present laws concerning these funds, except that the same rules which are applied to travel, purchase of equipment, postage, etc., in departments receiving direct legislative appropriation should also be made to apply to those departments having earmarked funds.

Governor New suggested that past appropriative policies had been wasteful because no one knew how much agencies needed to operate efficiently and economically and because it was impossible to determine two years in advance what services would require. The objection could have been rectified by an executive budget and departmental budget planning. His second observation, however, implied a departure from budget planning which would not only permit, but enforce, determination of budgetary needs. Based upon its observations of other state's budgetary

*Underlined by author to emphasize that only administrative control, not legislative control, was here recommended by Governor New.

controls, the Committee of Nine had declared (10, p. 42):

It is admittedly difficult to work out comprehensive plans for the expenditure of large sums of money for roads and buildings, but it is not so difficult as to be made an excuse for leaving the lion's share of the tax-dollar expenditure out of the budget.... Not only is it possible to lay out construction projects over two years in advance, it is highly desirable to plan such work in this way, as it tends to enforce long-range planning and development of our state.

At another point, the Committee stated (10), p. 66):

The classic argument against budgeting the capital outlays of the Road Commissions is that it is impossible to make detailed plans two or more years in advance. However, difficult as this admittedly is, a number of states are doing it. New York, Washington, North Carolina, California, Illinois, and Massachusetts are all states in which the state road commissions submit comprehensive and detailed budgets including not only current administrative expenses, but detailed plans of capital expenditure on roads and bridges.

Governor May, the Committee of Nine, and Durhan had all ridiculed earmarked funds. The Committee of Nine and Durhan both urged the adoption of the executive budget to enforce long-range planning and to permit a better determination of the state's budgetary needs. Voig has written (12, p. 177): "The administrative histories of the states suggest the same lesson; that until a government adopts the idea of the executive budget...it is futile to expect effective and economical administration." But Governor May said it is impossible to determine two years in advance the state's budgetary needs! His declaration is a rejection of budget planning. If, then, the financial policies of the administrative departments are to be controlled by anyone other than themselves, the only alternative to budget planning is wide discretionary power and control vested in the Governor, which would mean the abdication of legislative authority over appropriations. This is what May requested, when he advised the Legislature to appropriate the necessary administrative funds only to the departments and to establish the State Government Operating Fund under authority of the Governor.

Governor New's principal attack, however, was on the eighty per cent of the state funds which were earmarked and therefore not under legislative or executive control. New urged administrative control of them but said a careful study of such funds would be made during the next biennium and recommendations would be made to the next Legislature. He therefore had no proposals to make to the Twenty-fourth Legislature concerning them. Upon the Governor's recommendation the Legislature established the State Government Operating Fund instead of eliminating earmarked funds.

Governor New's 1943 message to the Legislature did not indicate any proposed changes in earmarking statutes. New did, however, urge (20) the Legislature "...to frown upon any attempt to divert the sales tax revenues into any other channels than that of direct relief." This appears to be an approval of earmarking.

Governor New's 1945 message requested (21, p. 20) the Legislature to

...limit appropriations to conservative levels and...appropriate to the Governor an adequate Contingent Fund, as it did two years ago, and clothe him with authority to transfer appropriated funds from one department to another as has been the practice during past years, additional needs of the departments which might arise will be thus taken care of.

No recommendations were made, however, regarding earmarked funds by the 1945 message, nor were any such recommendations made during the 1947 message to the Legislature. It can thus be seen that the recommendations regarding earmarked funds, promised in Governor New's 1941 second special session message, were not made in any subsequent messages.

The New investigating committee in 1943 recommended the discontinuance of the State Government Operating Fund and the substitution thereof of definite departmental budgets. The committee also recommended that the number of special funds and continuing appropriations should be reduced and brought under budgetary control and the scrutiny of the

Legislature. The Legislature attempted to bring certain earmarked funds under legislative control by the general appropriations bills in 1943 and in 1945. Such attempts were invalid, however, inasmuch as the Legislature had not followed the constitutional procedure for repealing former statutes. The efforts were further thwarted when Governor Mac vetoed a bill in 1945 which would have limited his control over the Emergency Relief Fund. In 1946, however, Governor Mac, upon recommendation of the Tax Study Committee, called a special session of the Legislature to enact constitutional amendments which were later ratified by the electorate to permit increased supervision of school funds. The 1947 legislative attempt was more effective than the efforts of previous years inasmuch as it did follow the prescribed procedure, which had been recommended by the Department of Finance (27) and the Tax Study Committee (22). In 1947, Governor Mac signed a bill similar to the one he vetoed in 1945 to revoke the chief executive's wide discretionary powers over the Emergency Relief Fund, but the Governor vetoed House Bill Number 182 which would have amended the existing earmarking statutes for the Fish and Game Fund. Legislative attempts to regain control of earmarked funds in 1947 were incomplete, however, and there is at present approximately sixty per cent of the total state expenditures outside the appropriative control of the Legislature and the supervisory control of the Governor and the Department of Finance. It is therefore recommended that the Legislature further follow the advice of the Department of Finance and the Tax Study Committee to extend the legislative and executive control over earmarked funds. The essence of such recommendation is to amend such earmarking statutes to limit expenditure of them to amounts provided by legislative appropriation. Such limitation would permit the Legislature to appropriate

from the General Fund and from all earmarked funds and revenues and would enable the administration to exercise budgetary control over all state departments. To enhance legislative control of appropriations and eliminate certain opportunities for executive abuse of authority, it is further recommended that departmental deficit appropriation by either the Board of Examiners or the Governor be prohibited. The unprecedented authority granted Utah's governors from 1933 to 1947 through the Emergency Relief Fund, in 1941 through the State Government Operating Fund, and in 1943 through the Contingent Fund constituted a dangerous delegation of the appropriative authority by the Legislature. The Board of Examiners frequently has possessed authority to make deficit appropriations. In 1948 the Department of Public Welfare asked the Board of Examiners for a deficit appropriation of \$530,000 beyond the legislative appropriation. Requests to the Board of Examiners for deficit appropriations amounted to \$975,665 in 1947 and \$911,352 in 1948. The Board of Examiners approved \$418,146 in 1947 and \$213,402 in 1948. If the Legislature is to retain appropriative control of state funds it must discourage the strong tendency by the spending agencies to disregard the legislative appropriation as the final measure of operating funds. If an administrative need for funds beyond the proposed appropriation by the Legislature is sufficiently great, such need ordinarily can adequately be impressed upon the legislators before their adjournment. If the additional appropriation is not made, then the activity should be cut accordingly, rather than continuing it with the hope of gaining approval for deficit appropriation after the Legislature has adjourned. If an emergency need great enough to justify an additional appropriation arises after adjournment of the Legislature, then it should be presumed to be of

sufficient importance to justify the attention of the Legislature in a special session called for that purpose by the Governor. Therefore, as a safeguard against abuse of the increased executive authority recommended herein, and to further a purpose of reorganization of justification of expenditures, it is recommended that the Legislature retain its appropriative authority and prohibit deficit appropriation.

Adoption of a more inclusive planning agency

The 1947 Legislature created a Legislative Council as a planning agency for the Legislature. Such a device had been recommended by Durbin in his separate report for the Tax Study Committee (4, p. 15) in early 1947 and by Wendell B. Anderson in early 1940 in his study (1, p. 188-191) of unicameralism and its need in Utah. Prior to the creation of the Legislative Council there had been no planning agency in the state government since the reorganization in 1941. Reorganization recommendations before 1941 included references to planning agencies. The Committee of Nine had recommended (10, p. 76) a Utah State Resources Board which would have been a merger of the State Planning Board and the Committee of Nine, with functions of legislative reference and administrative research. It was anticipated that such an organization would eliminate the need for all future special investigating committees like the Committee of Nine. Governor Maw had recommended a planning agency under the Governor's office. Durbin wrote (2, p. 32) that the function of a State Library and Legislative Reference Service

...usually combined in a single bureau located in the Governor's department, is to facilitate administrative research and make its findings available for the guidance of law making and its execution. It is not inconceivable that in the future, State Planning Boards will also cooperate closely with such a service. Planning is merely the projection of scientific research into the future. In a democracy this function is shared by legislators and administrators, each

supplementing the other. The Legislative Reference Service is the peculiar instrument for channelizing the planning function between legislature and Governor, just as the executive budget serves in the financial sphere.

However, no planning agency existed under the reorganization until the creation of the Legislative Council in 1947. Veig has written (12, p. 181):

Criticisms of the reconversion program [of the Federal Government] have time and again shown up the wisdom of abolishing the National Resources Planning Board. Sooner or later, its equivalent will have to be reestablished. Perhaps the new statutory Council of Economic Advisors, set up in...1946, will eventually develop into such an equivalent.

Although no planning agency was created there were numerous functions which one might have accused prior to the creation of the Legislative Council, such as the functions performed by the following establishments: Tax Revision Committee of 1929; Committee of Mine of 1933; Second Committee of Mine of 1935; Educational Survey Committee of 1939; Legislative Budget Committee of 1943; Tax Study Committee, Colorado River Committee, Interim Insurance Committee, Committee to Study Non-partisan Selection of Judges, Committee to Investigate Race, Color, or Creed Discrimination, and a Committee to Study Relocation of Public Institutions--all created in 1945; and a Committee to Study Municipal Fiscal Problems and a Committee to Study State Building Needs, in addition to the Legislative Council, established in 1947.

As a planning agency, the Legislative Council is an arm of the Legislature, completely independent of the state administration (the Governor appoints one of the Council's thirteen members). It has undeniably served well, and undoubtedly could continue to do so. It is believed, however, that it can serve a still better purpose.

Statutory provisions which created the Council provide (11, p. 338, 339) that the Council shall study and make recommendations concerning the

administration, that the administrative departments and agencies shall make studies for the Council, and (11, p. 339) that "The Governor, Board of Examiners...shall have the right to send a message to the session of the Council convening next after the adjournment of the regular session of the Legislature, and may from time to time send additional messages containing...recommendations and explaining pertinent problems." These provisions seem to suggest a strong administrative-executive influence.

A Utah Foundation observation recognized the need for cooperation among the branches of government (25):

The legislative council is a comparatively recent development in state government, brought into existence to fill two basic needs; (1) To furnish the legislative body with year-around research and reference service to permit more thorough study of major legislative proposals than is possible during the limited period that a legislature is in session, and (2) To provide a basis for closer cooperation among the Legislative, Executive, and Judicial branches of government.

Schleicher and Durhan proposed (15, p. 45), in addition to an agency of general planning, an agency to study and recommend administrative changes as needed. Rather than maintaining two competing agencies which, come what will, would duplicate each others work and possibly widen the gap between executive and legislative branches, it seems that a merger of two such agencies would have a tendency to dissolve executive-legislative differences in the planning and of government. There is no clear division of interest vesting policy-making solely in the Legislature and administration solely in the Governor. Rather, there is a diffusion. The Governor is chief legislator and policy-maker and the Legislature is interested in administration of policy. In pursuit of the two major purposes of reorganization described in this thesis, it is suggested that a planning agency of wider scope would promote the balance between

efficiency and the protection of liberties by extending the democratic process to the resolution of differences between the executive and legislative branches in the area of planning. Such procedure would afford more adequate consideration of proposed programs to the end of demonstrating adequate justification of expenditures.

For these reasons, and because of the apparent executive-legislative split during the later years of the New administration (intra-party battle for leadership) and the apparent split on many issues (manifested by the many executive vetoes) between Lee and the Democratic Legislature, it is recommended that the Legislative Council become a legislative-executive planning agency, instead of retaining its distinctly legislative character. Such a change of status would have the effect of composing differences which constantly arise from executive-legislative relationships because it would afford an opportunity for research and compromise on an equal basis prior to injection of issues into the political arena of legislative debate. The basic law establishing the Legislative Council could remain on the statute books. The desired change in status could be accomplished by amending the membership clause to permit the Speaker of the House to name three members from the House, the President of the Senate to name three members from the Senate, the Governor to name six members from the state at large (three of whom preferably should be named from the Legislature and three of whom should be named from among private citizens), and one member each to be nominated by the representative organizations of agriculture, labor, and industry. It would be advisable to retain the chairmanship and vice-chairmanship for members of the Legislature. This division would increase the membership of the Council to fifteen. Departmental planning of the administrative agencies

would augment the work of the Council. Duties of the Council, in addition to its present duties, would include continuing investigations of the need for periodic administrative and legislative reorganization and desirable legislation pertaining to the welfare of the state, its people, and its institutions. The dual nature of one such agency would probably be better than two separate agencies--and also better than the retention of the distinctly legislative nature of one such agency--because it would eliminate duplication of effort, would tend to compose differences rather than agitate the breach between the two branches, and would tend to unify legislative and administrative policy.

Elimination of legal restraints and encumbrances upon the Department of Finance by relieving the Board of Examiners of its duties by constitutional amendment and statute

Governor Maw's original reorganization message recommended that the Department of Finance should assume the duties of the Board of Examiners. However, the Governor did not propose the abolition of the Board. The Committee of Nine recommended abolition of the Board of Examiners as did Durham. The Board was not eliminated, however, and it retained its constitutional mandate to audit all claims of the state except salaries fixed according to law. The reorganization of 1941 injected a new authority into the "auditing of claims" picture by the creation of the Department of Finance which was empowered to pass upon all claims of the state. The Maw investigating committee in 1943 wondered about the constitutionality of the Department of Finance on the basis of its performance of duties of the Board of Examiners. Lewis Lloyd, Director, Utah Legislative Council, has challenged the constitutionality of the Department of Finance on similar grounds. Durham has likewise observed the dilemma. However,

the Law investigating committee and Durham observed the reconciliation of the difference through a Board of Examiners' ruling which permits the Department of Finance to operate as agent of the Board of Examiners in approving claims. Durham has recommended (4, p. 50), however, that a more sound legal basis for the Department of Finance be provided by passage of a constitutional amendment which would insert the words "until otherwise provided by law" into the section of the Constitution* which established the Board of Examiners. Such an amendment would permit the Legislature to relieve the Board of Examiners of all of its duties by statute. This study urges the adoption of such a recommendation. Inasmuch as this study also urges the Legislature to discontinue granting supplementary or contingent funds to the Governor or Board of Examiners for allocation by them in lieu of legislative appropriation (a recommendation which Durham and others have also proposed), the Board of Examiners virtually would be without duty and there would seem to be little justification for its retention.

Establishment of a compact Administrative Code

An implicit purpose of reorganization is the simplification of administrative government for easier understanding by both the layman and the politician. Therefore, it is recommended that the various administrative enactments of the state of Utah be organized in an understandable and integrated statutory Administrative Code to simplify the interpretation and understanding of organization, purposes, duties, and structure of the administrative functions of the state.

*Article VII, Section 13.

Suggestions for additional research

This study has recommended increased executive authority to supervise and control state administration. Some safeguards against abuse of that authority have also been recommended. Because administration of government is not an isolated cell of activity devoid of other influences, but rather a dynamic sphere in which many influences have considerable effect, particularly the working relationships of the executive branch with the legislative branch and other agencies of government, some of the recommendations herein advanced have a secondary purpose of improving such working relationships while their primary purpose is to enhance state administration. During the course of research for this thesis, however, the relationships between the executive and legislative departments have indicated a need for many improvements in that area. Certain additional modifications of governmental machinery have been considered which would promote the same ends as the recommendations included herein but a fine line of demarcation eliminates them as valid recommendations inasmuch as the delimitations of this current study have not permitted an adequate determination of the bases of the executive-legislative relationships and needs for their improvement. There are some indications that the status and authority of the executive and legislative departments of Utah's state government are altogether disproportionate and that such inequality is responsible for much of the turbulence in state government. It appears that legislative and administrative responsibility is ill-provided for and uncoordinated both with regard to the holder of office and to the political party. It appears that crises in Utah politics, brought about by executive-legislative stalemates, cannot be resolved with sufficient facility. These and other appearances merit further consideration. It is strongly

urged that they be the subjects of additional independent research, leading to a resolution of Utah's governmental difficulties in this area. Other desirable research would include a study of the stresses and strains on the reorganization structure by the administration of J. Bracken Lee, a study of needed legislative reforms, and continuing studies to reveal needed legislative and administrative improvements in state government.

Let it be known that the 1941 reorganization of Utah's state administrative structure, under the direction of Governor Herbert B. Maw, served a worthy purpose in focusing attention on a hitherto neglected province--the functional needs and operation of state administration. During the course of research and writing of this thesis a secondary hypothesis has been purposely avoided, an hypothesis which suggests that much of the bitter criticism of Herbert B. Maw and his administration was not warranted. No evidence is submitted for either point of view. It appears that Governor Maw may have been a dual personality--one having many virtues and another having many vices--but it also appears that in the field of administrative reorganization his motives were undeniably good and his desires were genuine. Governor Maw was the leader in a crusade for reorganization, which type of crusade in other jurisdictions frequently has been criticized and opposed. It is encouraging to realize that in a democratic society no official is indispensable and no structure of government is inalterable. Values are only relative. No panaceas have yet been introduced for the ills of government--either personal or structural. Administrative reorganization is certainly no panacea. Its greatest value is its nature as a continuing process. The continuing nature of the process has a secondary value of focusing a likewise

continuing attention upon the most dynamic sphere in our society—the administration of democracy. Under such a powerful focus, demagoguery, chicanery, and corruption cannot long endure. It is when haphazard organization is shrouded in darkness caused by apathy and indifference that we should fear dictatorial methods in government. It is hoped that this thesis permits a better understanding of Utah's administrative reorganization and that the conclusions expressed contribute to its continuing improvement.

APPENDIX

LETTER REPORT OF THE MAW INVESTIGATING COMMITTEE

January 2, 1943

Honorable Herbert B. Maw
Governor, State of Utah
Building

Dear Governor Maw:

Your committee appointed to make an investigation of the operations of the state reorganization program begs leave to report that it has completed its assignment as outlined in your letter of October 16, 1942, insofar as time and facilities available to it would permit. The committee has contacted and interviewed all of the elective state officials, all of the commissioners and some heads of departments; and in all cases the committee was received with courtesy and with an attitude of willingness to cooperate in the investigation.

Separate informal hearings were conducted and the discussions summarized in each case. Several departments, in response to the request of the committee, submitted, in addition, written statements all of which material accompanies this report for your reference. It is believed that frank and dependable expressions of viewpoints have been obtained, embodying criticisms which reveal the "rough spots" of the state reorganization program, together with constructive suggestions for improvement.

In the opinion of some, any reorganization program should be built around the elective officials who constitute the executive department of the state government without reducing the importance of their offices. Most of the commissioners approve in general the present setup with the Finance Commission as the hub of the reorganization program through which executive control of state services and finances can be exercised.

GENERAL TRENDS IN STATE REORGANIZATION:

Incidental to this investigation, your committee has given some attention to the experiences of other states with reorganization programs. State governments in the United States have undergone a tremendous evolution from very simple organizations, with the main function of preserving law and order and with small requirements for revenue, to highly complex organizations collecting and spending vast sums of money and performing many vital public services absolutely essential to modern life. This type of state government is big business; and it calls for the application of modern methods of administration and management.

Attempts in many states to meet this situation has resulted in a distinct trend toward making the Governor a state manager. In some cases, by increasing the Governor's power, by placing in his hands executive controls, he has become in fact and not in name only the chief executive.

Utah's reorganization program follows this trend, and has attempted to make use of the methods which have been demonstrated by the experience of other states to be practical. Some states have amended their constitutions and have abolished the elective offices, substituting appointive offices, thus bringing the entire state government under unified control of the Governor. Utah has not gone this far and is attempting, in building its reorganization program, to leave the elective state offices practically intact.

REORGANIZATION AND ELECTIVE STATE OFFICIALS:

Building a new mechanism of government around these state officials develops, however, some problems and "rough spots" in the operations of the reorganization program. For example, some confusion and friction has arisen between the Finance Commission and the State Auditor relative to their respective duties. To remedy this situation, your committee recommends that the law be amended so that the Auditor will be relieved of all accounting, processing of claims and issuing of warrants; that these functions be taken over mainly by the Finance Commission, with the possibility of the State Treasurer issuing the warrants as disbursing officer; and that the Auditor be made strictly an independent post-auditor of all state accounts. His office should be adequately staffed and financed to do a good job. He should be absolutely independent of other executive control and should be accountable to the Legislature and the people only.

Another problem has been encountered in establishing proper procedure with respect to the inter-related functions and duties of the Finance Commission and the Board of Examiners in processing and passing upon claims, which would conform to both constitutional and statutory requirements and, at the same time, be workable and sound. The Attorney General has rendered an opinion to the effect that the Board of Examiners cannot escape the constitutional responsibility of considering and passing upon all claims against the state, except salaries and compensation fixed by law. Upon the basis of the Attorney General's interpretation of the constitution, the Board of Examiners has approved a definite procedure under which the Finance Commission can perform its duties as prescribed by law, acting, however, as agents of the Board of Examiners. This procedure has now been in operation for about a year and seems to be working very well in practice.

In the opinion of the Attorney General, this procedure conforms to the requirements of the Constitution, though this is questioned by some. The idea of acting as agent of the Board of Examiners is objectionable to the Finance Commission. Moreover, review by the Board of Examiners may also be questioned as sound business procedure since it means that any commitment initiated and approved by the Finance Commission may later be rejected by the Board of Examiners. However, since the procedure in use provides for prior approval of departmental work programs and budget allotments by the Board of Examiners, as well as approval of all the later steps in the process of handling claims, it seems very unlikely that, as a practical matter, much difficulty would arise on this score.

Since any attempt to change the procedure now in use might result in court action to determine constitutionality--and would probably be

detrimental to the reorganization program in its present stage, your committee recommends following closely the procedure now in use with as little disturbance as possible. Further rules and regulations in detail, if necessary, should be immediately promulgated by the Department of Finance and approved by record by the Board of Examiners and the State Auditor. The State Auditor is then in a position, through post-audit, to question any process or procedure which appears to be contrary to established rules and regulations. It might be helpful in addition to amend the law so as to provide statutory authority to the Board of Examiners to approve budget allotments, which they are now doing.

Alternatives to following the present procedure would be:

1. A constitutional amendment for the purpose of relieving the Board of Examiners of the responsibility of passing upon the claims.
2. Court action to determine whether the Board of Examiners can be relieved of such responsibility by statute.
3. A drastic change in the law setting up the Board of Examiners as the Finance Commission.

Your committee has found little support for any of these alternatives.

The administration of all elective offices should, in the opinion of your committee, be conducted within the reorganization program on the same basis as other departments, subject to the general controls of the Finance Commission over job classification, salary schedules, travel, purchasing, accounting and budgets.

THE FINANCE COMMISSION:

The Finance Commission as the center of controls in the reorganization setup is also the central target for complaints from all departments feeling the effects of the controls. This is to be expected during the installation of a new system. No doubt, many of the reasons for complaints will disappear as the system becomes established; and criticisms will probably diminish as the personnel of other departments become accustomed to cooperate with the new setup.

There is general approval by the commissions of the functions of the Finance Commission, as set forth in the present statutes providing for centralized services. Listed below are some criticisms and suggestions with respect to the various services:

1. Salary Schedules. There is quite general approval of the work which has been accomplished by the Finance Commission in the classification of jobs and setting up of salary schedules. This has brought about a long needed standardization. Employees in all departments now receive approximately equal pay for equal service and bidding of one department against another has been practically eliminated. This service has made a long step forward. However, the salary schedules are meant for normal times and should be supplemented with emergency increases for times like the present.

Suggestions. The Finance Commission should recommend to the Governor **schedules of temporary salary increases to supplement the regular salary schedules**, to be made effective throughout the present emergency.

2. TRAVEL. Centralized travel supervision has undoubtedly resulted in reducing materially the total cost of state travel. Much remains to be done by way of complete coordination. There is quite general complaint, however, about the excessive amount of paper work, form filling and other detail required to obtain travel clearance, resulting in a waste of time by a considerable number of people throughout the departments.

Suggestions. There should be as much simplification [sic] as possible in the requirements for travel clearance, eliminating re- tape. This might be accomplished by requiring all departments to submit definite travel plans for study and approval by the travel supervisor and then hold each department responsible for following its own plan as approved.

3. PURCHASES. A number of the departments contacted reported that they were obtaining good service and cooperation from the Purchasing department. Others, however, complained of delayed action on purchases, in getting printing contracts, and paying bills in time to obtain the 2 per cent discount.

Suggestions. Prompt action by the Purchasing Department is highly important since the efficiency of the other departments depends upon it.

4. ACCOUNTING. Some disappointment has been expressed with the results of centralized accounting. Some departments say they fail to receive reports. Others say they are unable to understand the reports and, consequently, continue to keep their own accounts, resulting in considerable duplication of work. Some departments are reluctant to give up their present system of accounting, which they feel is efficient and well adapted to their needs.

The question is raised as to how far centralized accounting can be carried successfully. Mr. Kelly, in his previous report, has pointed out that, in his opinion, "complete centralization of the state's accounting system would be entirely impracticable."

Suggestions. Your committee feels that the step offers great possibilities, but that only careful study and experience can determine how far centralized accounting can be carried and recommends that the process be developed carefully, step by step.

5. MAILING. It is believed that centralized mailing is saving the state considerable money in leakage of postage stamps. The administration should be improved, however, so that all mail is sent out promptly the day it is prepared.

6. BUDGETARY CONTROL. There has been considerable criticism of the method of budgetary control. Following is a typical example: "The absence of specific budgets and the existence of a large general fund dedicated to

no particular purposes have contributed to both increased expenditures and to general confusion." Undoubtedly the present system of attempting to operate without definite budgets has caused considerable difficulty throughout all departments and has resulted in unwarranted antagonisms toward the Finance Commission. The State Government Operating Fund was set up by the last Legislature in lieu of definite departmental budgets for the purpose of placing control of expenditures in the hands of the Governor while the needs of each department in the new reorganization setup were being determined. There is now opportunity to develop work programs and budgets on the basis of one year or more of operating experience. The recommendation is quite generally expressed by commissioners and other state officials that the State Government Operating Fund should now be abolished -- or reduced to an amount suitable for use for emergency purposes only -- and that the statute providing for setting up definite departmental budgets, based on carefully developed work programs, should now be put into operation, and fixed appropriations to each department should be made by the Legislature.

EXTENT OF FINANCE COMMISSION CONTROLS.

While there is general approval of the functions of the Finance Commission in exercising the general controls listed above, the question is universally raised as to the extent of the use of these controls in practice. There is decided disapproval of the Finance Commission having the power to fix salaries within adopted salary schedules, and to its power to veto requests for salary increases when the requested increases are within salary schedules and within budget allotments. Objection is also quite general to the power and practice of the Finance Commission of deciding the expediency or advisability of matters which are strictly within the jurisdiction of other commissions. It is felt that the Finance Commission should not attempt to substitute its judgment for the judgment of other commissions as to the wisdom of any expenditure so long as the same is legal and in accord with approved work programs and within budget limitations.

A review of the history of other states in dealing with the same situation reveals similar resistance from the operating commissions and departments to executive control extending to matters which are strictly within the jurisdiction of the individual departments. In several states where Finance Commissions have attempted to exercise such stringent controls within other departments, the results have been deadlocks, feuds, resignations and court action. This general resistance has usually resulted in moderation of controls.

Some authorities recommend that the Finance Commission be given the authority to call into question proposals dealing with any such departmental matters within this disputed area of jurisdiction, but that the final decision be left with the department concerned. This places full responsibility upon the department and does not destroy effective control by the Finance Commission, since the latter has continuous review and supervision of work programs and budgeting. It is generally to the advantage of departments to cooperate.

REORGANIZATION PROGRAM IS SOUND.

This investigation and study leads your committee to the conclusion that Utah's State Reorganization Program is fundamentally sound. Its basis and procedures are quite generally in accord with the best that has been developed by decades of experience along similar lines by other states of the Union. The program has already passed successfully through the difficult initial stages of installation -- made tremendously more difficult by the loss of large numbers of experienced state employees because of increasing costs of living and the lure of high salaries outside. Yet very substantial results have already been obtained in most of the departments, showing improved services at lower costs. These are described in the summaries of interviews in this report. The over-all picture of the reorganization program is encouraging [sic]. However, such [sic] remains to be done in perfecting details of administration of the new system throughout the state government. It would be helpful for every commissioner and official occasionally to take a look at the problems of state government from the other fellow's side of the picture and also to look at the entire picture from the Governor's point of view. This would tend to develop unity of purpose and create and maintain an attitude of cooperation. Team work and "all out" concerted action are as effective in government as in war.

Your committee recommends the use by the Governor of some form of regular cabinet meeting as a means of accomplishing these objectives.

Cooperative effort could also be developed and strengthened by providing for regular monthly meetings of the elective state officials to discuss and agree on policies affecting the state government as a whole, and particularly policies pertaining to the functions of the several divisions of the Executive Department of the state government as that department is defined in the State Constitution.

SUMMARY OF SUGGESTIONS AND RECOMMENDATIONS

Numerous suggestions were made by the various departments which are discussed in greater detail in the attached summaries of interviews. The principal ones are noted below, together with major recommendations for both legislative and administrative action with respect to the reorganization program in general.

1. State Auditor. The duties of the office of the State Auditor should be restated and defined somewhat in line with the duties of the Comptroller General of the United States, directed toward a thorough independent post audit of the state's affairs and the issuance or approval of rulings and regulations with respect to which expenditures must comply and with adequate bond furnished by the certifying officer so that the Auditor would have recurrence against the bond for illegal expenditures. The office should be relieved entirely of accounting detail, the pre-audit and processing of claims, and the signing of warrants. Requires legislation.

2. The Board of Examiners, in order to comply with constitutional requirements for examining and passing on claims, should continue to follow the present procedure of approving quarterly budgetary allotments to all departments; of exercising general supervision over the rules, regulations and procedure under which the Finance Commission processes claims; and of receiving from the Finance Commission for review, frequent periodic reports of commitments. This requires administrative action only. It may be advisable, however, to provide statutory authority for the Board of Examiners to approve quarterly budgets, since their authority has been questioned.
3. The Finance Commission, in addition to processing claims, should also draw the warrants on the State Treasurer and the persons doing so should be under bonds which will give protection to the State Treasurer in the payment of them.
4. The power of the Finance Commission to pass upon the wisdom and reasonableness of commitments or expenditures within departments should be rarely exercised and only in exceptional cases.
5. The Finance Commission should establish the policy of exercising controls over salaries through standard salary schedules and budget allotments and should not attempt to fix or control salaries within these limitations.
6. In cases of dispute as to the authority of the Finance Commission in exercising controls over other departments, provision should be made for appeal by any department to the Governor or the Board of Examiners.
7. A method of travel supervision should be adopted which will avoid unnecessary work and redtape throughout the departments in obtaining travel clearance.
8. The Finance Commission should concentrate its efforts upon the simplification in general of all forms and procedures used.
9. The Central Mailing Department should readjust its time schedules so that all mail will go out the day that it is prepared.
10. The State Government Operating Fund should be abolished -- or reduced to a minimum for emergency purposes -- and definite departmental budgets substituted therefor.
11. Steps should be taken to simplify the fund-structure of the state by reducing the number of special funds and continuing appropriations and bringing them under budgetary control and the scrutiny of the legislature.
12. Advisory boards should function or should be abolished by law.
13. The use of regular "cabinet meetings" by the Governor with the elective officers and heads of departments is strongly recommended.
14. The State Engineer should not be required to get the approval of the State Engineering Commission in the selection of his Chief Deputy

and other employees and in making his purchases. This requires amending the law.

15. Some action should be taken to coordinate the legal work of the state.

16. The State Board of Agriculture should be authorized by law to make use, in an advisory capacity, of various existing agricultural organizations in lieu of the advisory board as now provided by law.

17. Highway Patrol. There should be closer cooperation between the Highway Patrol and the Engineering Commission in eliminating hazards on the highways, such as ice accumulations.

18. Bureau of Criminal Investigation. Provision should be made by law for a larger degree of cooperation and coordination of this bureau with local law enforcing officers.

19. This Committee has deemed it beyond the scope of its investigation to make any recommendations with respect to the merits of a three-man commission as compared with individual directors for the Finance and other strictly administrative divisions of the Executive Department.

20. Numerous matters of special concern to the various departments, some requiring new legislation, others involving amendments to correct errors, remove conflicts and ambiguities in present laws and in some instances to conform to federal law, are now being prepared by various departments.

Respectfully submitted,

COMMITTEE ON INVESTIGATION OF STATE REORGANIZATION PROGRAM

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(s) S. D. Huffaker

(s) Oscar W. Carlson

(s) Lincoln G. Kelly

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*This committee was commonly known as the Committee of Nine and was composed of three gubernatorial appointees, three senate appointees, and three house appointees. Members were: George M. Miller, chairman; Athol Rawlins, vice-chairman; Stanley N. Child, secretary; Mrs. Joshua Greenwood; Heber Bennion, Jr.; Dr. Hugh M. Woodward; Herbert E. Smith; Ward C. Holbrook; and Wilton Twitchell. Dr. Dilworth Walker acted as Consultant and Research Director. Sub-committee for the above report included Athol Rawlins, George M. Miller, and Stanley N. Child.

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* This report was completed in October 1946. Committee members: Stanley N. Child, chairman; Alonzo F. Hopkin; Claud Hirschi; Selvey J. Boyer; Wm. C. Jenson; Ralph D. Callister; J. Eastman Hatch; John H. Schenk; Frank L. Jensen, secretary. Dilworth Walker was Consultant and Director of Research. A large staff and many collaborators assisted committee.

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