

State should restart offshore oil drilling, analyst says

Anthony York, Los Angeles Times, 3-8-10

The state's nonpartisan budget analyst says the state should resume oil drilling off the coast of California.

Gov. Arnold Schwarzenegger has pushed for limited drilling off the coast of Santa Barbara in what is known as Tranquillon Ridge. Schwarzenegger's Department of Finance estimates the new oil drilling could generate \$1.8 billion for the state over the next 14 years.

The state's legislative analyst says Schwarzenegger's proposal "merits approval" but that the money should go to the state's general fund instead of being earmarked for state parks as Schwarzenegger has proposed.

"This project provides the opportunity to gain significant and much-needed revenues for the General Fund that could help to preserve state programs that it considers to be a high priority," the report states. "Analyzing these potential risks and trade-offs, we find, on balance, that the Tranquillon Ridge project merits legislative approval."

The plan passed the state Senate last year but died on the Assembly floor.