



Lost in the swirl of reports on what may, or may not, be part of the California budget deal legislators [appear to be closing in on](#) is this detail, reported by [the AP](#):

Aides to the governor and Legislature spent their weekend rushing to work out legislative language that could resolve the remaining issues. . . . Those include Schwarzenegger's plan to permit oil drilling from an existing rig off the Santa Barbara coast. The proposal opposed by many conservation groups would be the state's first new offshore oil project in more than 40 years.

"It's worth a couple billion dollars and has the added benefit of tearing down those oil rigs at the end, so it's good for the environment," [the governor's spokesman Aaron] McLear said Sunday. He said terms of the lease are still being worked out, but the drilling would likely run for 20 to 30 years.

This is one more sign of the desparate fiscal straits faced by California and other states. Offshore drilling has been a truly hot-button issue in this state since the famed [1969 Santa Barbara oil spill](#), which helped spur, among other things, the California environmental movement and passage of the federal Coastal Zone Management Act. Anyone have news about how the drilling provision is faring in the latest budget trades?

****Monday night UPDATE**** As Holly points out in the comment, LA Times is [now reporting](#) that the just-announced deal includes approval of Santa Barbara offshore drilling. [Capitol Weekly](#) calls this a major piece of the deal but one that has "yet to be finalized."