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ON POLITICS IN THE GOLDEN STATE

Senate leader pushes new plan to spend polluter fees

By Chris Megerian

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<http://www.latimes.com/local/political/la-me-pc-california-cap-and-trade-bullet-train-20140414.0.6399202.story#axzz2yunun400>

SACRAMENTO -- Senate leader [Darrell Steinberg](#) on Monday outlined a new proposal for funding affordable housing, transportation upgrades and bullet train construction with money from California's cap-and-trade program.

The program, approved by the Legislature to reduce greenhouse gas emissions, generates revenue by forcing companies to pay fees when their carbon dioxide emissions exceed state limits.

Steinberg's proposal is a shift from an idea the Sacramento Democrat floated earlier this year -- transforming part of the program into an additional gas tax. The senator admitted that plan "wasn't very popular," so he dropped efforts to change the program and is focusing on how to spend the money already being generated.

Steinberg estimates cap-and-trade will generate up to \$5 billion annually, which is at the higher end of projections released by the nonpartisan Legislative Analyst's Office. Under his proposal, 40% would be used for affordable housing and 30% would go to mass transit projects.

An additional 20% would be for the \$68-billion bullet train -- less than the 33% Gov. [Jerry Brown](#) wants.

"Generally we don't comment on pending legislation, but we look forward to working with the Legislature on an overall cap-and-trade funding plan," said Jim Evans, a spokesman for the governor.

Steinberg wants to make the rest of the cap-and-trade money available for a variety of environmental projects in areas such as water efficiency, electric vehicles and recycling.

He said negotiations and compromises over the details are inevitable, but he sought to demonstrate a position of strength on Monday, announcing his proposal in the Capitol while flanked by advocates representing labor, environmentalists, affordable housing and local governments.

The incoming Assembly speaker, Assemblywoman [Toni Atkins](#) (D-San Diego), issued a statement praising Steinberg for trying to tackle a variety of issues in one proposal.

"I look forward to the discussion with my Assembly colleagues as we formulate our budget priorities as the bill moves forward," she said.

Peter DeMarco, a spokesman for Senate Republican leader [Bob Huff](#) (R-Diamond Bar), said he's concerned about Steinberg's decision to push ahead with the bullet train.

"It's an albatross that needs to be discarded," he said.

Steinberg said he would continue pushing for high-speed rail.

"Future generations will be glad we withstood the controversy," he said.

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