

# California lawmakers approve budget to fund rail, preschool

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SACRAMENTO Calif. (Reuters) - The California State Assembly approved a \$156.4 billion budget plan on Sunday that includes funding for a controversial high-speed rail project and preschool education for low-income children.

The assembly voted 55-24 to approve the budget, a compromise deal that sets aside money for a so-called rainy day fund in line with Democratic Governor Jerry Brown's vision of fiscal restraint.

The vote followed months of political wrangling among Democrats seeking to restore spending on social programs cut during the recession.

A budget deal was reached on Friday and the vote came ahead of a deadline of midnight on Sunday to pass it. The Senate still has to vote on the measure.

The budget must be signed into law by Brown, who last year used his line-item veto to kill some measures. On Friday, he praised the legislature for "a solid and sustainable budget" barely bigger than the \$156.2 billion he had proposed in May.

California faces the upcoming fiscal year, which begins July 1, in good financial shape, thanks to new taxes approved by voters and the resurgent economy. When Brown took over in 2011 after serving two terms from 1975 to 1983, the state faced an 18-month budget gap of \$25 billion.

Brown's high-speed rail project, a \$68 billion effort opposed by Republicans, will receive \$250 million in funding from the state's cap-and-trade program. The state collects a fee after polluters buy and sell their rights to emit carbon into the air.

As part of a compromise with Brown, lawmakers negotiated additional commitments for cap-and-trade funds, including money for affordable housing, mass transit and clean energy projects.

Other compromises included an expansion of public pre-kindergarten for low-income 4-year-olds, a priority of Senate President pro Tem Darrell Steinberg, a Democrat who represents Sacramento.

Lawmakers also plan to include a requirement that \$1 billion of education funds be used for specific purposes. They include implementing national Common Core curriculum standards, vocational education and assistance for school districts with a high percentage of disadvantaged students, said Assembly member Nancy Skinner, a Berkeley Democrat.

(Editing by Sharon Bernstein, [Ian Simpson](#) and [Sandra Maler](#))

