

AUGUST 2023

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

National Financial Awareness Day is on August 14 and serves as a reminder to save and invest for the future. I encourage you all to review your current standing and evaluate where you're headed financially. Making small changes in our daily habits can lead to a healthy financial future. One way to plan for your family's future is to open a college savings account. This month, to help families kickstart their college savings, ScholarShare 529, California's official college savings plan, is offering an incentive to both current and new account owners. Please turn to page 5 to learn more about this promotion.

Governor Gavin Newsom signed the state's \$311 billion budget on June 27, 2023. I'm pleased that the state continues to prioritize forward-thinking investments that align with my key priorities: health, education, housing, climate. Please turn to page 4 to read about state budget items affecting my office.

Lastly, I'm excited to introduce you all to my newly appointed Deputy Treasurers, as well as the new Director of the CalSavers Retirement Savings Board. Please turn to page 6 to meet these exceptional professionals.

In Peace and Friendship,

A stylized, handwritten signature in dark ink, appearing to be "Fiona Ma".

Fiona Ma, CPA
California State Treasurer

Table of Contents

- p.1 Welcome Letter
- p.2 Ask Fiona
- p.4 California Budget Update
- p.5 ScholarShare's Special Offer
- p.6 State Treasurer's Spotlight
- p.7 In the Community
- p.8 Upcoming Events

This newsletter is not intended to be and should not be used for making investment decisions about State of California bonds or notes. Potential investors should always obtain and read the Official Statement published by the State for each issue.

Past performance does not guarantee future results. Investment return and principal value may fluctuate, so account value in State Treasurer's Office savings programs at the time of the withdrawal may be higher or lower than the amount invested.

This material is not intended to provide, and should not be relied on, for tax, legal or financial advice.



The State Treasurer's Office and its Boards, Commissions and Authorities are hiring! Check out our career opportunities [here](#).

ASK FIONA

Have a Question for the Treasurer?



Send emails to:

AskFiona@treasurer.ca.gov, with the subject line: "Ask Fiona"

Dear Fiona,

Thank you for standing with the striking WGA writers and SAG-AFTRA actors, and for workers at large. I am a member of SAG-AFTRA and appreciate your support. Are there any resources available to assist striking workers?

Sincerely,
Mike

Dear Mike,

As a SAG-AFTRA member myself, I stand in solidarity with the actors and writers who are on strike. The entertainment unions are crucial to ensuring economic security for the industry's workers. Alongside writers and actors, the shutdown of the television and film productions is having a ripple effect on small, local businesses serving the entertainment industry, from hotels to caterers to prop houses. Below is a list of resources available to support the striking workers, as well as businesses impacted by the strikes.

Resources for striking workers

- [SAG-AFTRA Support Fund](#): Provides up to \$1,500 to cover immediate living expenses for dues-paying SAG-AFTRA members who can demonstrate they need assistance.
- [Motion Picture and Television Fund](#): Qualified industry members that have a demonstrable need due to unforeseen circumstances can apply for financial assistance to cover basic living expenses, such as housing, utility bills, and food, health care, etc.
- [Los Angeles County Department of Arts and Culture grant programs](#): Arts and Culture regularly offers calls for artists and competitive grant programs for arts organizations. Sign up to be notified when they open: <https://www.lacountyarts.org/>.
- [Entertainment Community Fund](#): Provides access to social services and emergency financial assistance for immediate living expenses through a variety of relief funds.
- [Writers Guild Good and Welfare Emergency Assistance Fund](#): Provides interest free loans of up to \$7,000 for WGA members in good standing.
- [SAG-AFTRA Credit Union Loans](#): Provides loans between \$2,500 - \$5,000 for up to 36 months for dues paying members.

ASK FIONA

Resources for employees who have been laid off by a business impacted by the strike

- [Unemployment Insurance \(UI\)](#): UI provides weekly unemployment insurance payments for workers who lose their job through no fault of their own. These benefits may apply to employees laid-off from businesses impacted by the strike.

Resources for small businesses impacted by the strike

- [PACE – Small Business Grant Program](#): Provides grants of \$5,000 to \$10,000 to small businesses in Unincorporated Areas of LA County Supervisorial District 1. These grants can be used to cover business expenses including payroll, rent, working capital, and inventory.
- [U.S. Small Business Administration \(SBA\)](#): SBA offers a variety of loan programs to assist small businesses, ranging from microloans of up to \$50,000 to bank loans up to \$5 million.
- [Community Development Financial Institutions \(CDFIs\)](#): CDFIs serve those left out of traditional banking. They provide financial resources for residents and small business owners, such as small business loans and personal financial services. There are many CDFI's serving Los Angeles County.

For a more comprehensive list of resources and technical assistance, the Los Angeles County Department of Economic Opportunity created a [resource guide](#) for workers and businesses impacted by the entertainment strikes.

Sincerely,

Fiona

Have a Question for the Treasurer?



Address letters to:

California State Treasurer Fiona Ma
Post Office Box 942809
Sacramento, CA 94209-0001

California Budget Update

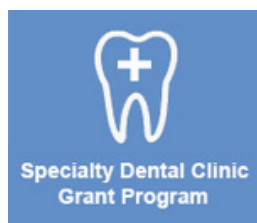
Governor Gavin Newsom signed the \$311 billion state budget on June 27. The 2023-24 spending plan preserves historic investments in education, healthcare, and climate, while growing budget reserves for economic uncertainties.

Included in the budget are allocations to the State Treasurer's Office (STO) and its Boards, Commissions, and Authorities (BCAs) to expand existing programs and develop new programs. Below is a summary of key budget items affecting the STO and its BCAs.

- **California Kids Investment and Development Savings (CalKIDS) Financial Literacy Program:** \$158,000 was allocated to the CalKIDS Program to create and implement a financial literacy program. CalKIDS, administered by the [ScholarShare Investment Board](#), helps children save for college or career training after high school. Children born in California starting on July 1, 2022, and eligible low-income public school students are awarded a CalKIDS college savings account with an initial deposit.
- **California Student Housing Revolving Loan Fund Program:** \$200 million was allocated to the program in 2023-24 and \$300 million annually for fiscal years 2024-25 through 2028-29. The program will provide zero-percent interest loans to qualifying applicants of the University of California (UC), the California State University (CSU), and the California Community Colleges for the construction of affordable student housing and affordable faculty and staff housing. The [California School Finance Authority](#) will administer the program for community colleges, and the [California Educational Facilities Authority](#) will administer it for CSU and UC campuses.



- **Specialty Dental Clinic Grant Program:** \$25 million was allocated to the Specialty Dental Clinics Grant Program to build or expand dental surgical clinics or specialty dental clinics to increase access to oral health care for special needs populations. The Department of Finance is authorized to transfer up to \$1.25 million to administer the grants. The program is administered by the [California Health Facilities Financing Authority](#).



- **Distressed Hospital Loan Program:** The Department of Finance is authorized to transfer up to \$150 million (\$142.5 million local assistance, \$7.5 million for state operations) to make interest-free loans for the working capital needs of the Distressed Hospital Loan Program in 2023-24. The [California Health Facilities Financing Authority](#) and the Department of Health Care Access and Information will jointly administer the program to provide interest-free loans for working capital needs to qualifying not-for-profit and public hospitals in financial distress or to governmental entities representing a closed hospital to prevent hospital closure or facilitate their reopening.

ScholarShare 529's Special Offer

SUMMER SAVINGS

This summer, ScholarShare 529 is offering a limited time offer that rewards both current and new college savers!

From now until August 31, 2023, ScholarShare 529 account owners can receive a \$25 bonus when they forward their referral code to a friend, family member, or co-worker, who then opens a new ScholarShare 529 account with \$500 or more. And that new account owner also receives a \$25 bonus! The referral codes are unique and current account owners should have received their referral code via email, distributed on July 11 and August 8.

ScholarShare 529, California's official college savings plan, is a tax-advantaged way to save. It offers families a diverse set of low-cost investment options, tax-deferred growth, and withdrawals free from state and federal taxes when funds are used for qualified higher education expenses, such as tuition and fees, computer equipment, books or certain room and board costs.

A special offer for ScholarShare 529 account owners!

Receive a financial
incentive when your
friends and family open
an account between
7/1/23 – 8/31/23.

Check your email for your code.

ScholarShare 529 

TIAA-CREF Individual & Institutional
Services, LLC, Member FINRA, distributor
and underwriter for California's
ScholarShare 529.
FWB-2999397PR-Y0723W

Additional information about ScholarShare 529 and this special referral offer, including complete terms and conditions, can be found at www.scholarshare529.com/referral. To learn more, families can also register for an online webinar at www.scholarshare529.com/events.

State Treasurer's Spotlight

State Treasurer's Office Welcomes Three Experience-Rich Professionals to the Executive Team

State Treasurer Fiona Ma appointed three public servants with over 60 years of management and legislative experience combined, to her leadership team. At the start of July, the State Treasurer's Office welcomed Khaim Morton and Stephanie Tom as Deputy Treasurers and David Teykaerts as the Executive Director of the CalSavers Retirement Savings Board (CalSavers).



*Khaim Morton,
Deputy Treasurer*

As Deputy Treasurer, Morton will have responsibility for public policy formation and will oversee the California School Finance Authority, California Educational Facilities Authority, California Health Facilities Financing Authority, California Pollution Control Financing Authority, and California Alternative Energy and Advanced Transportation Financing Authority.

Morton joins us from Portola Valley Partners, where he served as Managing Partner for NextGen Grant Funding, helping emerging technology companies capture market share through strategic relationships with governments. He is also the principal and founder of KRM Strategies, a public policy, advocacy, and strategic planning firm where he represents clients at the state and local government levels. He previously held positions as Vice President for Public

Policy and Economic Development at the Sacramento Metro Chamber of Commerce, Deputy Secretary for Legislation at the California Government Operations Agency, and held multiple positions in the California Legislature.



*Stephanie Tom,
Deputy Treasurer*

As Deputy Treasurer, Tom will oversee savings and investment programs in the STO, including ScholarShare 529 college savings plan, California Kids Investment and Development Savings Program, CalSavers retirement savings program, California Achieving a Better Life Experience savings program for people with disabilities, and the California Hope Opportunity Perseverance and Empowerment savings program for children who lost a parent to Covid-19 and long-term foster youth.

Tom was most recently the Chief Consultant for the AAPI Legislative Caucus in the California State Assembly, where she was responsible for supporting the Caucus' policy agenda, including annual legislative and budget priorities. Previously she worked as Deputy Director for Strategic Planning, Broadband

and Digital Literacy, at the California Department of Technology and spent nearly 20 years at Oracle Corporation, finishing her time there as Director for Global Customer Programs.



*David Teykaerts,
Executive Director of
CalSavers*

Teykaerts will lead CalSavers, California's retirement savings program designed to ensure all Californians have access to a workplace retirement savings account. Teykaerts most recently served as the Interim Chief of Stakeholder Relations at the California Public Employees Retirement System (CalPERS), the nation's largest pension fund. As Interim Chief, he led outreach and communications to the pension fund's many stakeholder groups and advised executive leadership on investment, retirement, and health care policy. Before becoming chief, Teykaerts served as Assistant Chief of Stakeholder Relations, beginning in May of 2022. In his ten years with CalPERS, Teykaerts worked closely with a wide variety of stakeholders at all levels, including elected officials, professional management representing local governments, labor leaders, school districts, retiree coalitions, and private sector leaders.

In the Community



Pictured (left): Treasurer Ma presents a certificate of recognition to Calpine CEO Thad Hill.

Pictured (right): Treasurer Ma takes part in the Carbon Capture Demonstration Unveiling.

(Photo Credits: Communications Division, State Treasurer's Office)

July 14 – State Treasurer Fiona Ma joined Calpine CEO Thad Hill, California Natural Resources Agency Secretary Wade Crowfoot, California Air Resources Board Chair Liane Randolph, and project leaders from the State Building and Construction Trades Council of California at the Carbon Capture Demonstration Unveiling and Carbon Solutions Technology Showcase at the Los Medanos Energy Center in Pittsburg. The event celebrated the launch of the first-in-the-world Carbon Capture (CCUS) Demonstration Pilot that will test a pilot-scale carbon dioxide capture facility retrofitted onto an existing natural gas power station. The demonstration pilot will utilize ION Clean Energy's new solvent-based technology, which has the potential to reduce carbon emissions by greater than 95% for existing natural gas power stations.

July 19 – State Treasurer Fiona Ma toured the teaching facilities at the UC Davis School of Veterinary Medicine located in Davis, as well as the UC Davis Institute of Regenerative Cures located in Sacramento. The School of Veterinary Medicine, a nationally top-ranked academic medical center, has shaped the field of veterinary medicine by developing dynamic veterinary treatments and making key discoveries related to animal, human, and environmental health. The UC Davis Institute for Regenerative Cures, which is supported by the California Institute for Regenerative Medicine, is the hub for collaborative, team-oriented science advancing breakthrough discoveries designed to bring stem cell therapies and cures to patients everywhere.



Pictured (left): Treasurer Ma tours the UC Davis School of Veterinary Medicine with Dean Mark Stetter.

Pictured (right): Treasurer Ma tours the UC Davis Institute of Regenerative medicine with Jim Kovach, Director, Innovation and Entrepreneurship, UC Davis Health; Karen O'Donnell, Clinical Research Director, UC Davis Health; and Brian Fury, Manufacturing Director, Good Manufacturing Practice Laboratory, UC Davis Health.

(Photo Credits: Executive Office, State Treasurer's Office)



Treasurer Ma presents a certificate of recognition to two health care facilities in Orange County.

Pictured above (left to right): Sondra Jacobs, Program Manager, Mental Health Grant Programs, CHFFA; Bianca Smith, Program Manager, Children's Hospital Programs, CHFFA; Khaim Morton, Deputy Treasurer, State Treasurer's Office; Veronica Kelley, Chief, Mental Health and Recovery Services, Orange County Health Care Agency; Treasurer Ma; Linda Molina, Director, Adult and Older Adult Behavioral Health, Orange County Behavioral Health Services; Carolyn Aboubachara, Executive Director, CHFFA; and Nicole Keefe, Clinical Social Worker, Orange County Health Care Agency.

(Photo Credit: CHFFA)

July 20 – State Treasurer Fiona Ma visited two facilities in Orange County that were awarded \$3,076,811 in grant funds through the Investment in Mental Health Wellness Grant Program in May 2016 by the [California Health Facilities Financing Authority \(CHFFA\)](#), an entity she chairs, to develop a Crisis Stabilization Unit (CSU) program. Treasurer Ma was joined by Deputy Treasurer Khaim Morton and CHFFA Executive Director Carolyn Aboubachara.

In 2018, the county was approved for a project scope change to fund two CSU projects, allowing the increase in the number of beds for the initial CSU, at the "Be Well Campus," from 16 to 24 beds, serving adults and adolescents, ages 13 and over; and the expansion of an existing CSU, from 10 to 15 beds, serving residents 18 and older. Grant funds were used to partially fund both projects, including construction and renovation, equipping and furnishing, information technology, as well as three months of start-up costs.

Upcoming Events

TRANSFORM YOUR BUSINESS WITH RESOURCES FROM THE GOLDEN STATE!

DID YOU KNOW?

**THERE ARE BILLIONS OF DOLLARS
AVAILABLE TO SMALL BUSINESSES?**

Join California State Treasurer Fiona Ma, California Secretary of State Shirley, N. Weber, Ph.D., and Tara Lynn Gray, Director, Office of Small Business Advocate (CalOSBA) to learn how your business can access capitol, invest in energy efficient upgrades, and tap into resources for success.

**Tuesday, August 15
9:00 AM – 1:00 PM**

California Secretary of State Auditorium
1500 11th Street | Sacramento, CA 95814

Spotlight on Resources from the Golden State:

- Access to Capital
- Go Green Business Energy Financing
- CalSavers Retirement Program
- Secretary of State resources for starting your business and filing requirements
- CalOSBA Small Business Resources

Enjoy a complimentary networking lunch following the seminar and connect with like-minded entrepreneurs



REGISTER:

sbdc.events/815

CDIAC WEBINAR SERIES

An Integrated Approach to Strategic Pension Liability Management

**AN INTEGRATED APPROACH TO STRATEGIC
PENSION LIABILITY MANAGEMENT**

PART I: AUGUST 24, 2023

PART II: AUGUST 31, 2023

Part 1: August 24, 2023 | 10 AM - 11:30 AM

Part 2: August 31, 2023 | 10 AM - 11:30 AM

Free

[Register Here](#)

The past three years have been characterized by sudden and drastic changes in the financial markets, which have directly affected the funding status of pension liabilities for public agencies. The California Debt and Investment Advisory Commission's (CDIAC's) new two-part webinar series, An Integrated Approach to Strategic Pension Liability Management, is designed to discuss how recent market events have impacted actuarial calculations, and how current market conditions impact the viability and risk/reward of various cost management strategies available to public agencies. This webinar series will also present case studies of how different agencies have utilized an integrated strategic approach to mitigate pension liability risk.