

JULY 2023

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

Summer is here...and so is the heat! According to a recent [report](#) issued by the California Environmental Protection Agency, annual average temperatures in California have increased by about 2.5 degrees Fahrenheit since 1895, with eight of the ten warmest years on record occurring over the past ten years.

We must all do our part to slow the planet's warming. One such way to make an impact is to invest in affordable clean energy. GoGreen Financing, a suite of programs housed in my office under the California Alternative Energy and Advanced Transportation Financing Authority, is paving the way for families and businesses to make energy efficiency upgrades. Turn to page 3 to learn how GoGreen Financing makes energy-efficient choices affordable for Californians.

In this month's newsletter, we also highlight a new training module for elected officials: Marketing and Structuring Strategies for a Win-Win Debt Issuance. This is the sixth module in the ElectEd debt issuance and administration series, which helps elected officials navigate the complexities of municipal finance and debt issuance. Please turn to page 4 to learn more about this module and the training series.

Last but certainly not least, this month we celebrate the 33rd anniversary of the signing of the Americans with Disabilities Act into law, ensuring that people with disabilities have equal rights and opportunities as everyone else. I'm proud that my office, through the CalABLE program, supports and empowers people with disabilities by providing them with a path toward financial stability and security. Please turn to page 5 to learn more about the CalABLE program and how it is changing the lives of people with disabilities.

In Peace and Friendship,

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

Fiona Ma, CPA
California State Treasurer

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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

Dear Fiona,

I recently received a notice from the Internal Revenue Service stating that I owe money on my unpaid 2023 taxes. I did not pay my taxes yet this year because I live in Monterrey County, which is included in the list of counties eligible for a disaster-related tax and payment extension due to the winter storms. I'm feeling panicked. I don't understand why I received this notice. I thought that the automatic extension for disaster victims gave me until October 16 to file and pay my 2023 taxes. Is this a scam or a mistake?

Sincerely,

Henry

Dear Henry,

I want to assure you that the income tax deadline was extended to October 16, 2023, for most Californians, due to the winter storms. The automatic extension is in place for those covered by [disaster declarations](#) in the state.

In early June, the Internal Revenue Service (IRS) sent erroneous notices to many California taxpayers who are eligible for the disaster-related extension. These notices demanded payment within 21 days. The IRS has issued a [statement](#) reassuring California taxpayers that they continue to have an automatic extension until later this year to file and pay their taxes.

Sincerely,

Fiona



Have a Question for the Treasurer?

Address letters to:

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

Send emails to:

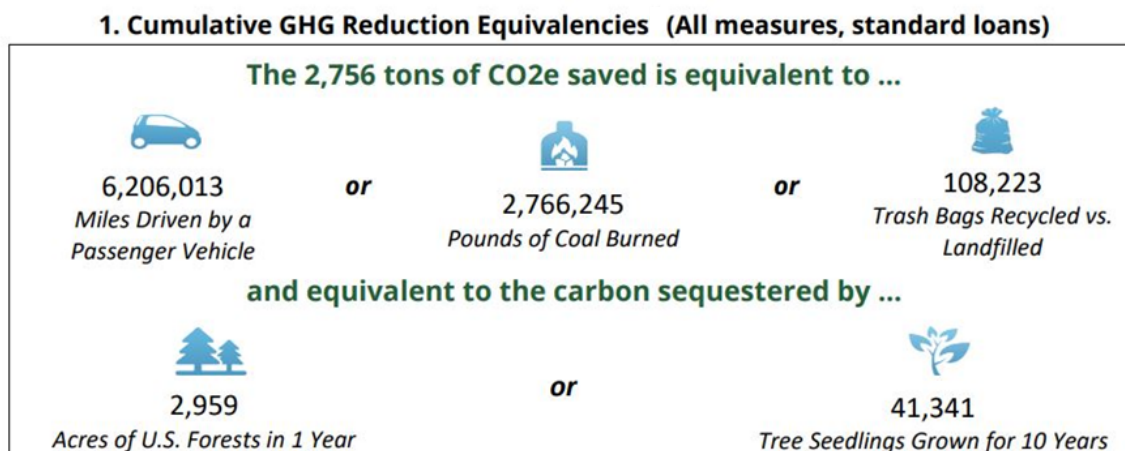
AskFiona@treasurer.ca.gov, with
the subject line: "Ask Fiona"

GoGreen Home: Helping Californians and the Planet Stay Cool

How an Energy Efficiency Financing Program Saves Energy and Prevents Carbon Emissions

Imagine the climate-cleansing power of 41,000 tree seedlings grown for 10 years, absorbing carbon dioxide day in and day out. Or the benefit of not driving the distance to the moon and back 13 times (6.2 million miles). Or the pollution avoided by a power plant deriving energy from the sun or wind, instead of burning 2.7 million pounds of coal.

These are just a few ways of looking at the climate benefits derived from projects financed through GoGreen Home Energy Financing, a program housed in the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA). From 2016 through 2022, GoGreen Home helped 2,800 California households make energy efficiency upgrades – things like new air conditioning and heating units, Energy Star appliances, insulation and windows – preventing more than 2,750 tons of greenhouse gases from polluting the atmosphere. Cumulative greenhouse gas savings achieved through the program in 2022 were 79 percent higher than in 2021, largely due to the increase in installations of heat pump HVACs, an ultra-efficient, all electric technology for cooling and heating homes.



These statistics, drawn from the latest GoGreen Home [Deemed Energy Savings Report](#), show that relatively small actions undertaken by many individuals can add up to a big difference. When an air conditioner or appliance fails or simply stops working efficiently, making the choice to replace it with a heat pump or another energy-efficient model not only benefits a household's own comfort and energy use, it also contributes to a healthier environment. GoGreen Home exists to make those energy-efficient choices affordable for California homeowners and renters.

The program works behind the scenes with lenders, making it possible for them to offer below-market interest rates and extended terms for energy upgrades. The result is an average savings per project of nearly \$2,500 in interest compared with market-rate financing¹. And for those who need to keep their monthly payments low, GoGreen Home loans span up to 15 years.

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With California summers heating up, it's more important than ever that people be able to keep cool and safe. GoGreen Home is here to help them do that while also saving energy and preventing pollution in their communities and throughout the state. It's a win for everybody.

— Dr. Claudia Quezada, CAEATFA Executive Director

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To learn more, visit GoGreenFinancing.com.

[1] For loan terms of 60 months or less. Figures are drawn from the March 2023 GoGreen Home Monthly Data Summary.

New Municipal Finance Training Module for Elected Officials

In May 2023, the California Debt and Investment Advisory Commission (CDIAC) released its latest training module designed for elected officials, *Marketing and Structuring Strategies for a Win-Win Debt Issuance* (Module 6). This module is part six of the Elect>Ed debt issuance and administration series that is intended to help elected officials navigate and understand the complexities and challenges of municipal finance and debt issuance.



Elected officials have a broad range of backgrounds, and many begin their positions with the desire and need to further develop their knowledge and expertise related to public finance. CDIAC designed the Elect>Ed series to provide the foundational content needed to guide prudent public finance decisions by the elected officials that serve over 4,000 local agencies throughout California.

The first four Elect>Ed Modules cover topics related to high-level planning considerations as well as legal structures and features of debt, while the fifth module focuses on the members of the finance team. The newest addition, Module 6, introduces elected officials to the municipal market and its variety of investors. It provides an overview of the debt marketing and structuring strategies used to achieve desired financing objectives and how these strategies may or may not align with the preferences of investors. The alignment of financing strategies with investor preferences is a “win-win” and the path to a successful issuance.

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EDUCATION FOR ELECTED OFFICIALS

(Photo Credit: CDIAC)

Later this fall, CDIAC expects to release Module 7 of the series, *The Commitments You Make: Implications and Documentation of Long-Term Debt*. This module will explore the commitments officials make upon the issuance of debt and the resulting implications for their agency and constituents. Module 7 will also cover the documentation used in most debt issuance transactions and provide elected officials with an understanding of their responsibility in the development and approval of the documents that formalize long-term debt commitments.

Elect>Ed Modules are produced by CDIAC, which is chaired by State Treasurer Fiona Ma. The courses are available for free through CDIAC’s [Education Portal](#), which is a learning management system that delivers a self-directed learning experience by providing on-demand content and certification of completion.

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Effectively using and managing debt is critical for local governments. This new module continues my office’s efforts to ensure that California’s decision makers, at all levels, have the resources they need to make informed decisions on behalf of all Californians.

— State Treasurer Fiona Ma

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CalABLE Helps People with Disabilities Achieve a Better Life



On July 26th, we celebrate the signage of the Americans with Disabilities Act (ADA) – an important civil rights law that prohibits discrimination against individuals with disabilities in all areas of public life, including jobs, schools, transportation, and all public and private places that are open to the general public.

Since the ADA was signed in 1990, our country has made great strides to ensure equal rights for people with disabilities. In 2014, the Achieving a Better Life Experience (ABLE) Act was signed into law by President Obama, allowing people with disabilities too open tax-advantaged savings accounts called ABLE accounts. The ABLE Act has been heralded as one of the most important pieces of disability legislation since the ADA.

In 2018, California launched the CalABLE Program. The program allows individuals with disabilities that began before age 26 to open tax-advantaged savings and investment accounts. Individuals can contribute up to \$17,000 per year in their CalABLE account and grow their savings tax free when the money is used for qualified expenses. Moreover, up to \$100,000 in a CalABLE account won't be considered in determining eligibility for means tested benefits programs like Supplemental Security Insurance or Medicaid.



With support from the State Treasurer's Office, recently passed federal legislation expands program eligibility in 2026 by raising the age of disability onset limit from 24 to 46.

CalABLE is making a powerful difference in the lives of people with disabilities. In June of this year, Treasurer Ma announced that CalABLE surpassed \$100 million in assets under management, making it the fastest growing ABLE program in the country. The program creates a path forward for people with disabilities that can lead them out of poverty, toward financial independence, and a better quality of life.

State Treasurer's Spotlight

Heart of the Treasury: Treasurer Ma Recognizes Doug Yackey for His Outstanding Service to the State Treasurer's Office

One of Treasurer Ma's core principles is prioritizing positivity when communicating with one another. Doug Yackey has effortlessly walked in step with this core value as one of the leads on the State Treasurer's Office's (STO) move to the Paul Bonderson Building on P Street in Sacramento. On June 5th, Treasurer Ma presented a resolution to Doug, Chief Engineer I with the Department of General Services, alongside one of his biggest supporters, his mother, Suzanne Yackey, in recognition of his outstanding contribution and support of STO move operations during the agency's transition to Bonderson. Doug and his colleagues' hard work at revitalizing the new space, supporting the move, and maintenance to facility operations at Bonderson continues to usher in this new, brighter era for both the STO and the building.

Doug has extensive experience supporting building operations across both public and private sectors, as well as several trades. This includes demonstrated expertise in facilities management, heating, ventilation, air conditioning systems, and upholding the highest standard of customer service. Since beginning state service as a Maintenance Mechanic in 2015, Doug's enthusiasm for his work has not only been infectious throughout his career, but built him a strong reputation as an incredibly valuable asset to teams he's worked with, state agency he's served, and facility he's maintained. Doug is known to express sincere gratitude for his career and family life, always being sure to count his every blessings!

At the heart the STO is a dedicated team of staff working in tandem to advance the STO's core mission: faithfully carry out its vital role as the State's banker. Thank you to Doug and the many state employees that continue to diligently support the agencies they serve!



Treasurer Ma presents a resolution to Doug Yackey recognizing him for his outstanding service.

Pictured above (left to right): Patrick Henning, Chief Deputy Treasurer, State Treasurer's Office; Suzanne Yackey; Doug Yackey, Chief Engineer I, Department of General Services; Treasurer Fiona Ma; Moulay Billouche, Manager, Administration Division, State Treasurer's Office. (Photo Credit: Executive Office, State Treasurer's Office)

The Ma Squad Core Principles:

1. *Treat everyone with dignity and respect. We must consciously choose to be positive, especially in our communications with one another and with the public; we must seek to understand as well as to be understood.*
2. *Be honest and have integrity.*
3. *Find a solution and path forward instead of putting up roadblocks.*
4. *Work independently and proactively, but towards the team's goals.*
5. *Mentor. We stand on the shoulders of those that came before us. Let us commit to becoming the shoulders of the future generations.*
6. *Be a good steward of the State's resources and conscious that all citizens are your employer. If we serve our stakeholders well, our personal successes are inevitable.*
7. *Be accountable and take responsibility. We must accept personal responsibility for the outcomes we promise. We must be accountable for what we don't deliver.*
8. *Exercise mindfulness towards yourself and towards others.*

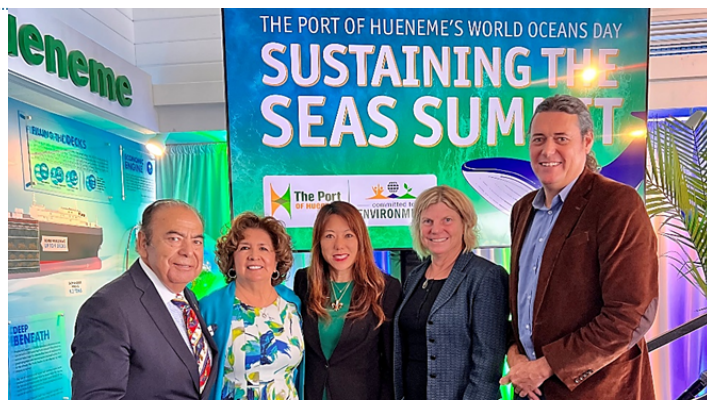
In the Community



Treasurer Fiona Ma delivers the keynote address for the California Council for Affordable Housing's Spring Conference. (Photo Credit: External Affairs Division, State Treasurer's Office)

June 6 – State Treasurer Fiona Ma delivered the keynote address during the California Council for Affordable Housing's (CCAH) Spring Conference luncheon. The CCAH conference in Sacramento gathers around 250 professionals in the affordable housing industry to discuss the housing landscape. Treasurer Ma shared the streamlining her administration has brought to the State Treasurer's Office, gave an update on assistance offered to emerging developers of color via the Black, Indigenous, and People of Color developers pool, and encouraged the affordable housing developers to get involved in the decision-making process by connecting with their representatives.

June 8 – State Treasurer Fiona Ma keynoted the Port of Hueneme's World Oceans Day observance, themed "Sustaining the Seas Summit." Treasurer Ma detailed the state's commitment to "30 x 30," to protect 30% of the planet's land and water by 2030. The State Treasurer's Office invests in California's future by combatting climate change, reducing greenhouse emissions, and incentivizing green jobs through the California Capital Access Program within the California Pollution Control Financing Authority, and Sales and Use Tax Exclusion and GoGreen Financing programs within the California Alternative Energy and Advanced Transportation Financing Authority.



Treasurer Fiona Ma speaks at the Rountable at the Port of Hueneme's World Oceans Day observance. (Photo Credit: The Port of Hueneme)

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We are the only planet that has an ocean, and we must sustain it for generations to come. The Port of Hueneme is committed to a clean and sustainable environment and ocean. That is why we are here today to learn more from leaders on efforts concerning ocean-based technology, advocacy, and management. Understanding the status and the change in our oceans is a complex issue.

– Jess Herrera, President, Oxnard Harbor Commission

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Treasurer Fiona Ma delivers opening remarks at the Electric Drive Transportation's 36th Electric Vehicle Symposium and Exposition. (Photo Credit: External Affairs Division, State Treasurer's Office)

June 12 – State Treasurer Fiona Ma provided the opening remarks to the Electric Drive Transportation Association's 36th Electric Vehicle Symposium and Exposition (EVS36). EVS36 is the longest-running international conference devoted to electric transportation and technologies as well as the premier showcase for the industry's innovation through exhibition. Treasurer Ma spoke on how California is leading the charge and driving the transition to electric mobility and how her office is assisting the state reach its zero-emission goals through two of the Authorities she chairs: California Alternative Energy and Advanced Transportation Financing Authority and California Pollution Control Financing Authority.