



California State Treasurer Fiona Ma, CPA

# News Release

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## California Sells \$1.14 Billion of General Obligation Bonds

Today's sale provides funds for new projects and saves taxpayer money

**SACRAMENTO** – California State Treasurer Fiona Ma announced the results of today's sale of \$1.14 billion of taxable General Obligation (GO) bonds via competitive bid. Bids were accepted for:

- 1) \$457.4 million of **refunding bonds** to refinance previously issued bonds; and,
- 2) \$680.13 million of bonds to provide funds for **voter-approved projects and programs**.

"I am excited to be in a position to save Californians money and implement the will of the voters," said Treasurer Ma.

### Refunding bonds

The \$457.4 million of refunding bonds attracted bids from 10 broker-dealers with Morgan Stanley & Co. submitting the winning bid, with a true interest cost of 2.39%.

The bond proceeds will be used to refund \$300 million of outstanding variable rate GO bonds to effect a favorable reorganization of the debt structure of the state and to current refund \$164.23 million of outstanding fixed rate GO bonds for debt service savings.

The bonds issued for debt service savings will save taxpayers \$37.8 million over the next 20 years, or \$31.6 million on a present value basis. The refunded bonds were originally issued in 2009 and 2017.

Since taking office in January 2019, Treasurer Ma has issued \$5.8 billion of refunding GO bonds that will save taxpayers more than \$2.1 billion over the next 20 years, or \$1.7 billion on a present value basis.

### **Bonds for voter-approved projects and programs**

The \$680.13 million of bonds for voter-approved projects and programs attracted bids from 11 broker-dealers with the winning bid submitted by BofA Securities with a true interest cost of 2.359%. The bond proceeds will provide \$375 million of funding for the Safe, Reliable High-Speed Passenger Train Bond Act for the 21<sup>st</sup> Century (2008), \$60 million for the California Stem Cell Research and Cures Bond Act of 2004, and \$245.13 million to pay down certain outstanding GO commercial paper notes that provided interim financing for the below list of 14 bond acts approved by voters between 2000 and 2018.

- [California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002](#)
- [California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018](#)
- [California Stem Cell Research and Cures Bond Act of 2004](#)
- [Disaster Preparedness and Flood Prevention Bond Act of 2006](#)
- [Housing and Emergency Shelter Trust Fund Act of 2002](#)
- [Housing and Emergency Shelter Trust Fund Act of 2006](#)
- [Kindergarten Through Community College Public Education Facilities Bond Act of 2016](#)
- [Kindergarten-University Public Education Facilities Bond Act of 2004](#)
- [Kindergarten-University Public Education Facilities Bond Act of 2006](#)
- [Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006](#)
- [Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 \(the Villaraigosa-Keeley Act\)](#)

- [Veterans Housing and Homeless Prevention Bond Act of 2014](#)
- [Water Quality, Supply, and Infrastructure Improvement Act of 2014](#)
- [Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002](#)

The calendar of all upcoming state bond sales is available at the Treasurer's investor relations website at [BuyCaliforniaBonds.com](http://BuyCaliforniaBonds.com).

*Fiona Ma is California's 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in payments within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio of more than \$90 billion, more than \$23 billion of which are local government funds. She serves as agent for sale for all State bonds, and is trustee on more than \$90 billion of outstanding debt.*

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