



California State Treasurer Fiona Ma, CPA

Press Release

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State Sells \$2.6 Billion of General Obligation Bonds

Refinancing of bonds will save taxpayers \$567.8 million over the next 20 years

SACRAMENTO – The California State Treasurer’s Office sold \$2.6 billion of voter-approved tax-exempt General Obligation bonds yesterday, including \$984 million of new money bonds and \$1.65 billion of refunding bonds that will save taxpayers \$567.8 million over the next 20 years, or \$503.8 million on a present value basis.

The refunding bonds will refinance bonds issued in 2003, 2010, 2012 and 2013 under 15 different bond acts.

“The markets have come a long way since the beginning of the pandemic in March,” said Treasurer Fiona Ma. “Despite the sobering economic news that has come since then, I am pleased that investors still show confidence in the Golden State’s bonds. The combination of that confidence and the tailwinds of low interest rates driven by the Federal Reserve’s policy will enable California’s taxpayers to reap benefits from this offering over many years in the future.”

Proceeds of the new money bonds will fund projects for K-12 school districts under the Kindergarten Through Community College Public Education Facilities Bond Act of 2016 and will paydown certain outstanding commercial paper notes that provided interim financing for projects funded under 14 different bond acts approved by voters between 2000 and 2018.

The all-in true interest cost to the State was 2.07%. The bonds were initially offered to investors at yields ranging from 0.15% in 2021 to 2.44% in 2050.

The joint senior managers for the sale were Morgan Stanley & Co. LLC and Ramirez & Co., Inc. The co-senior manager was Loop Capital Markets LLC, and there was a large syndicate of co-managers and selling group members.

The calendar of all upcoming state bond sales is available at 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 transactions 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 about \$113.5 billion, more than \$31.6 billion of which are local government funds. She serves as agent of sale for all State bonds, and is trustee on outstanding debt of \$94 billion.