



California State Treasurer Fiona Ma, CPA

News Release

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State Treasurer Fiona Ma Issues Statement Applauding Governor Newsom's Signature on Affordable Housing Bill

SACRAMENTO – California State Treasurer Fiona Ma today issued the following statement after Governor Gavin Newsome signed Assembly Bill 364 (AB 364) into law, which increases the efficiency of the state's low-income housing tax credit program:

"Assembly Bill 364 continues the state's efforts to make the low-income housing tax credit program more efficient," said Treasurer Ma. "By improving one of the state's most critical financing programs for affordable housing, developers will be better poised to leverage and maximize federal tax credits, and the state can be more responsive to market conditions and other relevant factors. The result will be the construction of more units and more Californians with a roof over their heads. I want to thank Assemblymember Quirk-Silva and Governor Newsom for leading on this critical issue."

AB 346, authored by Assemblymember Sharon Quirk-Silva (D-Fullerton), updates the process by which the California Debt Limit Allocation Committee and California Tax Credit Allocation Committee, both chaired by Ma as state treasurer, consider and award federal tax credits to developers that are competing for tax-exempt bonds to build affordable housing.

"AB 346 is a game-changer for California's affordable housing initiatives. By strategically pairing state tax credits with federal credits, this legislation ensures we get a bigger bang for our buck, maximizing affordable home production," said Assemblywoman Quirk-Silva. "This bill does not impose any new taxes, as the amount of credits are predetermined in the budget each year. AB 346 is simply a more effective and impactful way for California to deploy its limited affordable housing resources."

Specifically, AB 346:

- Maximizes the number of new affordable homes that can be produced by allowing the CTCAC to leverage these state tax credits with either 9% or 4% federal Low-Income Housing Tax Credits, as conditions best dictate.
- Clarifies that investors who buy state tax credits to begin claiming them in the year the development is in service, increasing the price investors will pay for the credits and thereby reducing the amount of credits each development needs.
- Grants CTCAC the authority to set deadlines for construction starts to account for market conditions and disasters.
- Facilitates alignment by subjecting CDLAC, whose resources are used in conjunction with CTCAC's 4% tax credit program, to CTCAC's process for adopting and amending program regulations.

CTCAC administers the federal and state Low-Income Housing Tax Credit Programs. Both programs were created to promote private investment in affordable rental housing for low-income Californians.

CDLAC was created to set and allocate California's annual debt ceiling and administer the State's tax-exempt bond program to allocate the debt authority. CDLAC's programs are used to finance affordable housing developments for low-income Californians, build solid waste disposal and waste recycling facilities, and to finance industrial development projects.

For more information about CTCAC and CDLAC, visit treasurer.ca.gov/CTCAC and treasurer.ca.gov/CDLAC.

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Fiona Ma is California's 34th State Treasurer. She was first elected on November 6, 2018, with more votes (7,825,587) than any other candidate for treasurer in the state's history and reelected on November 8, 2022. 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. Presently, her office processes more than \$3 trillion in banking transactions. 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 that currently averages over \$200 billion—a significant portion of which is beneficially owned by more than 2,200 local governments in California. She serves as agent of sale for all State bonds and is trustee of billions of dollars of state indebtedness.

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