Dear Friends,

If you own a small business or multi-dwelling unit and are looking to participate in the state’s growing, sustainable green economy by installing electric vehicle charging stations for your customers, employees, or residents, my office can offer immediate help with the financing.

And if you are at all hesitant to take this step, here’s the critical thing to consider – Governor Gavin Newsom recently raised the bar on California’s energy future. We are now speeding toward a day in 2035 when we are likely at last to untether ourselves from fossil fuel gas pumps and sales of gasoline-powered vehicles will slow to a halt.

This is good news for California’s long-term economic development. And for the global environment. We have steadily and effectively cultivated the green sector of our economy, providing our workforce and businesses with sustainable opportunities. Now, exciting new levels of growth are waiting to be achieved. One estimate predicts the number of fuel-cell vehicles, plug-in hybrids, and fully electric vehicles on our roads will double by 2025, and then double again by 2030 to a total of 3 million vehicles.

That translates to a need for an astonishing number of EV charging stations statewide. Hundreds of millions of dollars have already been committed by the state and electric power companies to build this infrastructure.

The State Treasurer’s Office has been working with the California Energy Commission since 2015 to help meet the need. See page 3 for details.

In Peace & Friendship,

California State Treasurer Fiona Ma, CPA
Dear Fiona,

I am the CEO of a local Community Development Financial Institution. Is CalCAP accepting new lenders to participate in its small business program?

Sincerely,
David

Dear David,

Thank you for your interest in participating in the California Capital Access Program for Small Business (CalCAP SB). Yes, we are accepting new lenders into this program. By participating in CalCAP SB, your bank will be able to implement a proven financing mechanism to help meet the financing needs of California's small businesses. CalCAP SB may provide up to 100-percent coverage on losses as a result of certain loan defaults. To apply, please complete the Financial Institution Application and send it to CalCAP SB. If you have any questions, or need assistance, please e-mail CalCAP@treasurer.ca.gov.

Sincerely,
Fiona

Dear Fiona,

The California Employment Development Department (EDD) sent multiple letters addressed to different individuals to my home address. I suspect that someone is fraudulently using my address. How can I report this possible fraud?

Sincerely,
Jacqueline

Dear Jacqueline,

Unfortunately, there has been a spike in fraudulent unemployment claims during the COVID-19 pandemic. Governor Gavin Newsom called for a strike team to investigate. As a result, the EDD is now implementing new procedures. Suspected unemployment fraud may be reported by submitting a Fraud Reporting Form, calling the EDD fraud line at 1-800-229-6297, or by mailing PO Box 826880, MIC 43, Sacramento, CA 94280-0225.

Sincerely,
Fiona
In the wake of Governor Gavin Newsom’s recent historic order to end the sale of new gasoline vehicles in California beginning in 2035, some have asked how the state will develop the electric infrastructure needed to power the anticipated increase in the number of electric vehicles (EVs) zipping along our roads. New infrastructure will be needed.

To build the infrastructure will require encouragement and support for those businesses and individuals ready today to install EV charging stations. That’s where the California State Treasurer’s office comes in.

“The program supports private financing for businesses that want to provide charging stations for their employees, customers, and residents. Businesses with charging stations attract electric vehicle owners. Treasurer Ma’s support of electric vehicle charging stations is long standing. As a state legislator in 2011 she shepherded into law AB 631, enabling the fair market development of electric vehicle infrastructure throughout the state.

State Treasurer Fiona Ma chairs the California Pollution Control Financing Authority (CPCFA), which manages the California Capital Access Program’s (CalCAP) Electric Vehicle Charging Station Financing Program (CalCAP/EVCS). Established in 2015, the electric vehicle charging station financing program is a partnership between the California Energy Commission (CEC) and the CPCFA. The program’s sole purpose is to increase the number of EV charging stations installed to serve workplaces and multi-unit dwellings across California.

Thanks to a $2 million pilot program funded by the CEC, loans enrolled in the CalCAP program are being used to cover the design, development, purchase, and installation of electric vehicle charging stations. The program encourages such loans by providing up to 100 percent coverage to lenders on certain loan defaults. Enrolled loans receive coverage for up to 48 months and are limited to $500,000 per borrower. Borrowers with good repayment history may be eligible to receive a rebate of 10- to 15-percent of the enrolled loan amount.
payable from the lenders’ loss reserve accounts, depending on whether the installation is located at an MUD or in a disadvantaged community.

A business that installs electric vehicle charging stations not only helps spread electric vehicle usage, it also can attract new customers. Almost any corporation, partnership, cooperative or other entity with 1,000 or fewer employees is eligible to borrow through the program.

To participate, a small business first contacts an approved lender for charging station financing. The list of EVCS Financing Program participating lenders is found on the program’s website. Once the lender enrolls the loan with CalCAP, the CPCFA contributes 20- to 30-percent of the lender’s loss reserve account to cover the lender in the event of a loan default. Once a loan is repaid or 48 months after the loan is funded, the small business may be eligible to receive a rebate equal to 10- to 15-percent of the enrolled amount. Ten percent of the enrolled loan amount is the base rebate. A larger rebate of 15 percent is available only when a charging station installation is located at a multi-unit dwelling or within a disadvantaged community.

Of course, the program also benefits electric vehicle users and local governments by providing a financial solution to accelerating electric vehicle readiness plans and their implementation. It also helps state and local communities stay in step with local air quality and transportation policy goals.

Green Commuter, the most recent small business to benefit from the program, is an all-electric vanpool provider that combines vanpooling, car sharing and fleet replacement. It secured a private loan for the installation of 34 charging stations at five multi-unit complexes located in disadvantaged communities in Fresno. All five charging station sites will be publicly accessible.

Green Commuter received a rebate equal to 15 percent after repayment of an earlier loan for the installation of 57 chargers at six public locations that included a couple of churches, a bank, a community event center and a shopping center.

Such electric vehicle charging installations are integral to the state’s goal of providing electric vehicle access for everyone, including the electric vehicle ride-sharing community.
Calendar of Upcoming BCA Events

Boards, Commissions and Authorities (BCAs) Within the State Treasurer’s Office

November

17

California Pollution Control Financing Authority (CPCFA)

10:30 AM | 801 Capitol Mall, Room 150, Sacramento, CA
Public Participation Call-In Number* (877) 810-9415 | Participant Code: 6535126

Teleconference information, other scheduled BCA meetings, agendas, deadlines for grants, and more, may be accessed as the information is posted or updated on the Treasurer’s website: https://www.treasurer.ca.gov/

Additional BCA meetings in November: CSFA (Nov. 12) | CalABLE (Nov. 17) | CAFATFA (Nov. 17) | PMIA (Nov. 18).
Meeting date and times may change; please check the BCA links included here for such notices, as well as for teleconference details.
Webinars: CalABLE (Nov. 12 - Maximizing CalABLE Account Contributions for 2020)

BCA webinars in September: CDIAC (Sept. 9 and 16.) | CalSavers (weekly) | ScholarShare (Sept. 16)

Note: The State Treasurer’s Office provides essential services for the citizens of California. As we work to further protect the health of our community in response to COVID-19, the BCAs are modifying standard committee meeting procedures. Participants, interested parties, and non-essential staff are requested to join the meeting via teleconference. Further, social distancing measures will be put in place at the meeting location, which will substantially limit the space available for in-person attendees. Public participation and comment periods will not be impacted.
October 21
State of California Various Purpose General Obligation Bonds and Various Purpose General Obligation Refunding Bonds (October 2020) – $1,107,520,000 ($321 million Federally Taxable Bonds, $588 million Tax-Exempt Bonds and Refunding Bonds, $198 million of Federally Taxable Refunding Bonds)

The October 2020 GO bonds were sold via three separate competitive bids. The first bid, $321 million of federally taxable bonds, will provide funding for the California Stem Cell Research and Cures Bond Act of 2004 and pay down certain outstanding commercial paper notes that were issued under 18 different bond acts. The federally taxable bonds attracted bids from 10 broker-dealers with J.P. Morgan Securities LLC submitting the winning bid with a true interest cost of 1.65 percent. The second bid, $588 million of tax-exempt bonds, will provide funding to pay down certain outstanding commercial paper notes that were issued for the Kindergarten Through Community College Public Education Facilities Bond Act of 2016 and refinance previously issued GO bonds for debt service savings. The tax-exempt bonds attracted bids from 10 broker-dealers with BofA Securities, Inc. submitting the winning bid with a true interest cost of 1.69 percent. The refinancing will save taxpayers $153 million over the next 15 years (or $138 million on a present value basis). The third bid, $198 million of federally taxable refunding bonds, will refinance previously issued GO bonds for debt service savings. The federally taxable refunding bonds attracted bids from 9 broker dealers with Wells Fargo Bank N.A. submitting the winning bid with a true interest cost of 1.39 percent. The refinancing will save taxpayers $66 million over the next 16 years (or $61 million on a present value basis.)

October 27
California Health Facilities Financing Authority: No Place Like Home Program Senior Revenue Bonds (Social Bonds - Federally Taxable) – $450 million

Proceeds of the bond sale will provide funding to the Department of Housing and Community Development's No Place Like Home Program, which aids in the acquisition, design, construction, rehabilitation, preservation and operation of permanent supportive housing for persons who are experiencing homelessness, chronic homelessness or who are at risk of chronic homelessness, and who are in need of mental health services. The bonds are rated Aa3 by Moody's Investors Service, AA- by Standard & Poor's and AA- by Fitch Ratings and are designated as "Social Bonds" because they follow the Social Bond Principles adopted by the International Capital Markets Association. The all-in true interest rate on the bonds, which are subject to federal income tax, is 1.86 percent. Yields to investors ranged from 0.417 percent for the 2022 maturity to 2.529 percent for the 2035 maturity.

October 28
State State Public Works Board of the State of California Lease Revenue Refunding Bonds, 2021 Series A (Forward-delivery) – $502.6 million

Proceeds of the bond sale will be used to refund certain bonds issued by the State Public Works Board, which were originally issued to finance facilities for the California Department of Corrections and Rehabilitation (CDCR), Judicial Council (JC), and Department of Developmental Services (DDS). The refunding bonds are expected to provide debt service savings of approximately $118.8 million, or $107.3 million on a present value basis. (Continue reading on page 7.)
October 28

(Continued from preceding page ...) State Public Works Board of the State of California Lease Revenue Refunding Bonds, 2021 Series A (Forward-delivery) – $502.6 million

The bonds were sold on a forward delivery basis to take advantage of the current low interest rates and lock in future savings. The bonds will be delivered for settlement in October 2021. The all-in true interest cost for the bonds is 1.67 percent. Yields to investors ranged from 0.80 percent for the 2022 maturity to 1.93 percent for the 2032 maturity. The bonds are rated Aa3 by Moody’s Investors Service, AA- by Fitch Ratings, and A+ by Standard & Poor’s.

November 12

California Earthquake Authority: Revenue Bonds, Series 2020B (Federally Taxable) (Approximately $300 million)

Proceeds of the upcoming sale will provide funding to enhance the California Earthquake Authority’s claim-paying capacity for damages resulting from earthquake events.

Week of November 15

State of California Variable Rate General Obligation, Series 2020A ($100 million)

Proceeds of the upcoming bond sale will provide funding for projects and programs for the Water Quality, Supply, and Infrastructure Improvement Act of 2014.

November

California Infrastructure and Economic Development Bank Infrastructure State Revolving Fund: Revenue Bonds Series 2020A (Federally Taxable) and 2020B (Tax-Exempt) (Amount TBD)

Proceeds of the upcoming sale will refund all or a portion of outstanding bonds for the Infrastructure State Revolving Fund (ISRF) program and provide funding to finance and refinance loans to eligible borrowers, including local governments, state agencies, and certain non-profit organizations for infrastructure and economic expansion projects pursuant to the ISRF program.

More information about the upcoming fall bond sales can be found at BuyCaliforniaBonds.com.

The bond issuances described above (including the amounts and timing thereof) are preliminary and subject to change or cancellation based on market conditions or other factors as determined by the State Treasurer.
The San Diego Housing Federation (SDHF) kicked off its 2020 Annual Conference & Pre-Conference Institutes “30 Years of Building Better Futures” with Executive Director Stephen Russell introducing Treasurer Ma. California Tax Credit Allocation Committee Deputy Director Anthony Zeto also presented information and helped answer audience questions.

The Fremont Chamber of Commerce hosting a wonderful virtual discussion on small business programs with Treasurer Ma. Members of the State Treasurer’s team made presentations on the CalSavers, GoGreen Financing, Sales & Use Tax Exclusion, and California Capital Access programs. A recording of the webinar can be found here.

Treasurer Ma joins the Oakley Rotary at their morning meeting, which has gone virtual. The group is very active in serving their community and bringing resources to their members during the COVID-19 pandemic.