



# NEWS...

## From the Desk of California State Treasurer Fiona Ma



Dear Friends,

JUNE 2021

Last month, we recognized the importance of college savings by celebrating May 29, or 5/29 day. 529 is the number of the federal code section that opened up a new world of college savings for families across the nation. I like the program so much that I opened my own account to help students in my life.

Our newsletter highlights California's highly rated college savings plan, ScholarShare 529, and the work it is doing to get employers to step up for their workers by participating in the Workplace Savings Program. Many employers have become our partners, such as CalPERS, California State University, the Contra Costa County Superior Court, and the California Labor Federation.

Companies engage in a range of activities, from inviting experts from ScholarShare 529 to explain the program to their workers, to allowing monthly payroll deductions to go into their accounts, and even to match a portion of their employees' contributions.

And, while all this is happening Governor Gavin Newsom made a breathtaking announcement about plans to provide seed money for college savings accounts to 3.7 million students from low-income backgrounds. ScholarShare 529 will be actively involved in working out details. One thing is certain - there will soon be a lot more college savers in California.

Last month, we also celebrated Asian American Pacific Islander (AAPI) Heritage month. It's a joyous time to mark the cultures and contributions of AAPI people who came to this nation and to California.

Unfortunately, there was a somber note this year because of the rise in hate crimes against people from AAPI backgrounds. The rise is a reminder that we cannot take tolerance for granted, and need to speak out against hate crimes against any person or group. California's diversity is the foundation of our economic success and our rich and vibrant culture. Diversity is a blessing - not just to be tolerated, but celebrated and cherished!

In Peace and Friendship,

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 of bonds or notes.*



[HTTPS://WWW.TREASURER.CA.GOV](https://www.treasurer.ca.gov)



# Ask Fiona

If you have a question, please email me at [askfiona@treasurer.ca.gov](mailto:askfiona@treasurer.ca.gov)

L

Dear Fiona,

I received a phone call today from someone claiming to be an IRS agent. He said that I received an overpayment of my stimulus money and demanded that I pay it back. He said I would be fined if I didn't pay back the money. I provided him with my banking information. I'm 80 years old and suffer from mild cognitive impairment. Now, I'm worried I was scammed.

What should I do?

Laura

Dear Laura,

Unfortunately, you may have been the victim of a scam. Criminals are using a variety of methods to exploit the COVID-19 pandemic. Financial scams targeting older people are happening more and more often.

According to a recent [IRS Press Release](#), the IRS will never call, text, e-mail, or contact you on social media asking for personal or bank account information. Scams involving IRS imper-sonation should be reported to [phishing@irs.gov](mailto:phishing@irs.gov). A report should also be filed with the [Treasury Inspector General for Tax Administration](#), the [Federal Trade Commission](#), and the police. You should also contact your bank.

Other COVID-19 related scams can be reported by calling the Department of Justice's [National Center for Disaster Fraud Hotline](#) (NCDF) at **866-720-5721** or via the [NCDF Web Complaint Form](#). Additionally, fraud against anyone age 60 and older can be reported to the [National Elder Fraud Hotline](#) at **1-833-372-8311**.

FM



## Have a Question for the Treasurer?

### Send emails to:

[AskFiona@treasurer.ca.gov](mailto:AskFiona@treasurer.ca.gov),  
with the subject line:  
Ask Fiona

### Address letters to:

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



# Ask Fiona

If you have a question, please email me at [askfiona@treasurer.ca.gov](mailto:askfiona@treasurer.ca.gov)

(cont.)

The Federal Trade Commission offers these tips to avoid COVID-19 scams:

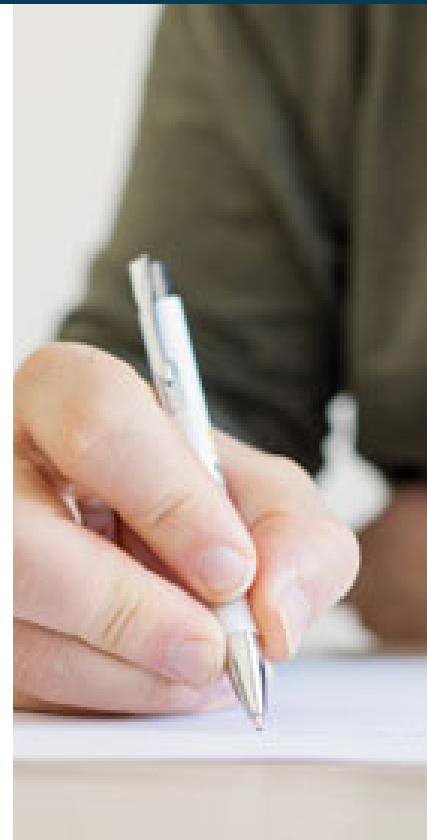
- **Don't respond to texts, emails or calls about checks from the government.**
- **Ignore offers for vaccinations and miracle treatments or cures.** Scammers are selling products to treat or prevent COVID-19 without proof that they work.
- **Be wary of ads for test kits.** Many test kits being advertised have not been approved by the FDA, and aren't necessarily accurate. Almost all authorized home tests don't provide rapid results and require you to send a test sample to a lab for analysis.
- **Hang up on robocalls.** Scammers are using illegal robocalls to pitch everything from low-priced health insurance to work-at-home schemes.
- **Watch for emails claiming to be from the CDC or WHO.** Use sites like [coronavirus.gov](https://coronavirus.gov) and [usa.gov/coronavirus](https://usa.gov/coronavirus) to get the latest information.
- **Do your homework when it comes to donations.** Never donate in cash, by gift card, or by wiring money.

Criminals will likely continue to use new schemes related to the pandemic. Please be safe and vigilant of scammers.

Sincerely,

Fiona

FM



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DOJ [National Center for Disaster Fraud](#) Hotline  
at 866-720-5721

[National Elder Fraud](#) Hotline at  
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# ScholarShare 529



## GOVERNOR'S PLAN WOULD MASSIVELY EXPAND COLLEGE SAVINGS



Firm details of Governor Newsom's college savings plan have yet to be worked out, but the aim is clear—a monumental expansion of college savings accounts. It would give one to 3.7 million public school students qualifying as low-income under the Local Control Funding Formula (students eligible for free or reduced-price meals under the National School Lunch Program, English learners, and foster youth).

The plan, released on May 14, would provide seed money of \$500 for each account with an additional \$500 for foster youth and homeless students. The May Revision includes approximately \$2 billion in one-time federal American Rescue Plan Act of 2021 funds in 2021-22, and assumes \$170



## ScholarShare 529 Workplace Savings Program Finds Savers Where They Work

Like all the savings programs administered by the State Treasurer's Office, ScholarShare 529, California's college savings plan, is constantly searching ways to publicize the program so more people can enjoy the benefits.

One of the best ways, it has found, is to partner with employers across the state. For several years, ScholarShare Investment Board (SIB) outreach staff, as well as field consultants with the plan manager at TIAA-EF Tuition Financing, Inc. (TFI), have worked diligently to expand the number of public and private employers in the Workplace Savings program.

Now more than 1,000 companies participate. These include CalPERS, California State University, LA Care Health Plan, Mechanics Bank, and the latest employer to join, the California Labor Federation.

The participation level of each employer varies. At the beginning level, companies collaborate with ScholarShare 529 representatives and provide access to talk with their employees about the program's benefits through presentations or webinars. Some go further by arranging payroll deductions so employees can contribute automatically each month. Others go one step further, adding a match to the employee's contribution.

ScholarShare 529's Executive Director, **Julio Martinez**, said partnering with employers is a key part of its growth strategy. "We are really ramping up the program because we know it benefits both employees and employers," he said. "Employees feel more comfortable contributing through a payroll deduction. Many believe that a company that participates in the Workplace Savings Program truly cares about its workers."



**Julio Martinez**  
Executive Director

ScholarShare529





# ScholarShare 529



## GOVERNOR'S PLAN WOULD MASSIVELY EXPAND COLLEGE SAVINGS

(cont.) million ongoing General Fund beginning in 2022-23.

"His plan to start college savings for 3.7 million students is simply astonishing, taking aim at a huge social equity issue by assisting low-income students in pursuing their higher education dreams," said Treasurer Ma. "As chair of the ScholarShare Investment Board, which is responsible for California's 529 College Savings plan, I look forward to working out the details with the Governor and the Legislature."



## ScholarShare 529 Workplace Savings Program Finds Savers Where They Work



(cont.) State Treasurer Fiona Ma, who chairs the ScholarShare Investment Board (SIB), which oversees the program, is also asking employers to consider taking part. "The Workplace Savings Program is free, easy and a benefit that helps companies stay competitive, while at the same time helping employees fulfill their higher education dreams," she said.

The plan offers contributors a chance to invest in a variety of low cost investment portfolio options. One great selling point is that any investment growth is not taxed, if spent on qualified higher education expenses, leaving more funds for higher education.

Julio and his team have participated in many meetings with employers to highlight the program's benefits to their company as well as their employees. "The key is getting the information to the right person," he said. "Once that happens, the program usually sells itself because it really is a win-win for the both employer and employees."



Sign up for our  
Workplace  
Savings Program

ScholarShare 529



Follow the [link](#) to sign up and open your account today!

# ScholarShare 529



To learn more  
and register for a free webinar,  
visit our website:

[www.ScholarShare529.com/employee](http://www.ScholarShare529.com/employee).

## EMPLOYERS & ORGANIZATIONS



## ScholarShare 529 Workplace Savings Program Finds Savers Where They Work

(cont.) About 180 state colleges and universities, state agencies, cities, and counties including, Contra Costa County Superior Court, Jurupa Unified School District and Novato Fire District, take part. Their participation is one reason new accounts and assets in the program soared in 2020. Compared to 2019, total contributions to ScholarShare 529 accounts increased 15 percent and the number of new account openings increased by 19 percent. It now has more than \$12 billion in assets.

The City of Chino offers the program. "It sounded like a great benefit and when we looked more closely, the fact that it wasn't going to cost the employer anything and that there was zero reporting required was a huge plus," said Jacqueline Lozano, Senior Human Resources Analyst. "It's totally seamless. As the employer, it's helpful that the ScholarShare 529 team is very responsive and makes themselves available to answer any questions and handle the administration."

Human resources professionals report offering the program for its wide-ranging benefits, including ease of implementation. It does not cost anything and does not require a contract. Many California parents are looking to their employers for help. According to a ScholarShare 529 survey of 1,000 California parents planning to save for their children's college, 72 percent of respondents would feel more confident choosing a 529 plan if it were available through work.

Human resources professionals and other interested parties should contact SIB at [scholarshare@treasurer.ca.gov](mailto:scholarshare@treasurer.ca.gov) or (916) 651-6380. Employers can offer ScholarShare 529 to employees with confidence, knowing the plan is highly rated, and has an established history of partnering with California employers. To learn more, and register for a free webinar, visit [www.ScholarShare529.com/employee](http://www.ScholarShare529.com/employee).



# Calendar of Upcoming BCA Events

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

## JUNE



- |    |  |
|----|--|
| 15 | <u><a href="#">CA Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)</a></u> Board Meeting |
| 16 | <u><a href="#">CA Debt Limit Allocation Committee (CDLAC)</a></u> Board Meeting                                      |
| 16 | <u><a href="#">CA Tax Credit Allocation Committee (CTCAC)</a></u> Board Meeting                                      |
| 17 | <u><a href="#">CA Debt and Investment Advisory Commission (CDIAC)</a></u> Meeting                                    |
| 22 | <u><a href="#">CalSavers</a></u> Board Meeting   |
| 23 | <u><a href="#">CalABLE</a></u> Board Meeting   |
| 23 | <u><a href="#">ScholarShare Investment Board (SIB)</a></u> Board Meeting   |
| 24 | <u><a href="#">CA School Financing Authority (CSFA)</a></u> Board Meeting  |
| 24 | <u><a href="#">CA Health Facilities Financing Authority (CHFFA)</a></u> Board Meeting                                |

*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/>

*Meeting date and times may change; please check the BCA links included above for such notices, as well as for teleconference details.*

*Note:* The State Treasurer's Office provides essential services for the citizens of California. In order to protect the health of our community in response to COVID-19, the BCAs have modified standard committee meeting procedures. Participants, interested parties, and non-essential staff are requested to join meetings via teleconference. Social distancing measures also have been adopted at meeting locations, which will limit the space available for in-person attendees. Public participation and comment periods will not be impacted.





# The Vault

A calendar of recent and upcoming bond sales

## May 3

### Department of Water Resources Central Valley Project Water System Revenue Bonds, Series BD and BE (Federally Taxable) - \$533.8 million

Proceeds of the bond sale will be used to finance and refinance certain State Water Project capital improvements and refund previously issued Water System Revenue bonds. The refunding bonds are expected to save \$20.3 million in debt service costs over the next 14 years, or \$16.4 million on a present value basis. The all-in true interest cost of the bonds was 1.57 percent. The tax-exempt Series BD bonds consisted of maturities from 2024 to 2035, and bear interest rates ranging from 4 to 5 percent, with yields initially reoffered to investors ranging from 0.20 percent to 1.24 percent. The federally taxable Series BE bonds consist of maturities from 2021 to 2035, with yields ranging from 0.055 percent to 2.232 percent.

## Week of July 5th

### Trustees of the California State University Systemwide Revenue Bonds, Series 2021A and 2021B (Federally Taxable) – Amount to Be Determined

Proceeds of the upcoming bond sale are expected to finance and refinance the acquisition, construction, renovation and improvement of certain facilities of the CSU and refund previously issued debt.



More information about the upcoming bond sales can be found at:

[BuyCaliforniaBonds.com](https://www.BuyCaliforniaBonds.com)



*Note: The bond issuances described (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.*



# Top Billing

A Monthly Update on Key Legislation for Treasurer Ma

## SECURE Act Tax Conformity

*Assembly Bill 340, Christopher Ward (D-San Diego)*

<https://a78.asmdc.org/>

This bill will conform to federal law to allow Californians with ScholarShare 529 savings accounts to utilize those funds to pay student loan debt and expenses related to qualified apprenticeship programs, in addition to the other qualified education expenses already allowed under state law.

## Updated Time Deposit Collateral Requirements and Pooled Money

*Senate Bill 239, Senate Committee on Banking and Financial Institutions*

<https://sbnk.senate.ca.gov/>

This bill would codify California statute to lower the collateral requirements, from 110% of the amount deposited, to 100% of the amount deposited, the required value of a Federal Home Loan Bank (FHLB) letter of credit that a credit union or a savings and loan association may use as security, matching the collateral requirements banks currently have, for a deposit of state funds made by the State Treasurer. In addition, this bill authorizes the State Treasurer to invest surplus state funds in money market mutual funds that meet certain specifications and requirements.

## Office of Racial Equity

*Senate Bill 17, Richard Pan (D-Sacramento)*

<http://sd06.senate.ca.gov/>

This bill declares racism a public health crisis and establishes the Office of Racial Equity (ORE) and the Racial Equity Advisory and Accountability Council, in order to address systemic and institutional racism that has resulted in poorer health outcomes and disparities in Black, Indigenous, and people of color (BIPOC).

## International Bonds

*Assembly Bill 869, Richard Bloom (D-Santa Monica)*

<http://asmdc.org/members/a50/>

This bill would expand the Treasurer's office's authorized investment options to include dollar-denominated sovereign debt of countries with strong credit ratings and qualifications of the National Association of Insurance Commissioners.





# Top Billing

continued

## Hepatitis Screening

*Assembly Bill 789, Evan Low (D-Campbell)*

<https://a28.asmdc.org/>

This bill will require health facilities and clinics that provide outpatient primary care services in California to offer voluntary screening for hepatitis B and C, and provide persons tested positive with follow-up health care and treatment.

## California Jumpstart Act

*Senate Bill 777, Steven Bradford (D-Gardena)*

<http://sd35.senate.ca.gov/>

This bill builds on the state's existing small business COVID recovery initiatives without placing demands on the current budget by incentivizing \$375M of flexible private capital at below market rates for immediate investment into under-resourced small businesses with 250 or fewer employees, located in communities grappling with geographic, racial, and economic disparities.

## Constitutional Officers Gender Neutrality

*Assembly Bill 378, Rebecca Bauer-Kahan (D-Orinda)*

<https://a16.asmdc.org/>

This bill will update California law to reflect reality and equality by eliminating gendered pronouns in reference to constitutional officers.





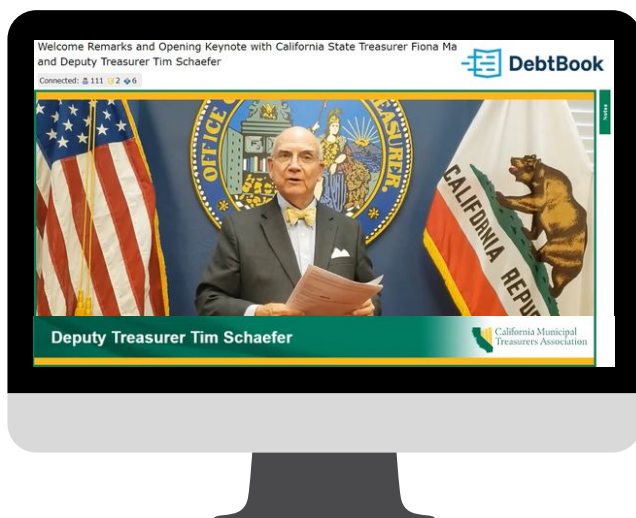


# In the Community

**April 21, 2021** – State Treasurer Fiona Ma provided keynote remarks to the San Francisco African American Chamber of Commerce's Small Business Week webinar. It was dedicated to "Empowering Communities of Color and Women to Serve on Corporate Boards." Special thanks to Dr. Matthew Ajiake for moderating the lively conversation.



**April 27, 2021** – State Treasurer Fiona Ma stopped by the inaugural Houser Hour speaker series of the Southern California Association of Non-Profit Housing, which aims to connect affordable housing leaders with other housing stakeholders. Special thanks to the association's Executive Director, Alan Greenlee, for moderating a great conversation.



**April 28, 2021** – State Treasurer Fiona Ma and Deputy Treasurer for Public Finance, Tim Schaefer, delivered back-to-back speeches at the 2021 annual conference of the California Municipal Treasurers' Association. Both spoke about efforts by the State Treasurer's Office to do more business with firms owned by individuals from diverse backgrounds, which fit well with the conference theme of "Embracing Diversity."

# In the Community

continued

**May 5, 2021** - Thank you to Global SF for hosting an amazing conversation between State Treasurer Fiona Ma; Central Valley Community Foundation's President and CEO, Ashley Swearengin; UC San Diego Extension Associate Vice Chancellor for Public Programs, Dr. Mary Walshok; and HBO Max's Senior Vice President of Growth Marketing, Katie Soo. Special thanks to Wenli Wang and Darlene Chiu for moderating and hosting the event.



**May 7, 2021** – State Treasurer Fiona Ma's small business webinar with the Cupertino Chamber of Commerce's Legislative Action Committee. Pictured from left to right: Anjali Kausar, Cupertino Chamber of Commerce; Noah Starr, State Treasurer's Executive Office; Gian Pablo Martire, City of Cupertino; Rick Kitson, Cupertino Chamber of Commerce; Xee Moua, California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA); Janae Davis, California Pollution Control Financing Authority; Treasurer Fiona Ma; Kaylee D'Amico, CAEATFA; and Jonathan Herrera, CalSavers Retirement Savings Program.

