

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

Labor Day traditionally marks the end of summer, but it also celebrates the contributions of the American workers and the efforts of the labor movement that has fought tirelessly for workers' rights since the 19th Century. Many of the benefits we now enjoy and take for granted – the 8-hour work day, paid sick leave, worker protections, and safe workplaces – are the result of that advocacy. Labor Day is not only a day to recognize and remember the historical achievements of American workers, it's also a day to appreciate and support the next generation of workers. Please turn to page 3 to learn how my office is supporting our workforce today and into the future.

The California Workforce Development Board (CWDB) also plays a major role in supporting, developing, and improving California's workforce development system. This month's newsletter features a guest piece from the CWDB on page 5, which discusses its commitment to the High Road vision for the state's workforce development system that embodies the principles of job quality, worker voice, equity, and environmental sustainability.

September also recognizes the importance of planning and saving for higher education. To celebrate National College Savings Month, ScholarShare 529, California's official college savings plan, is offering a special \$100 bonus to families that open a new 529 college savings account through September 30, 2023. More details about this promotion can be found on page 6.

In Peace and Friendship,

A stylized, handwritten signature of Fiona Ma.

Fiona Ma, CPA
California State Treasurer



Don't forget to file your taxes!

California individuals and businesses impacted by 2022-23 winter storms qualify for an extension to file and pay taxes until **October 16, 2023**.

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The State Treasurer's Office and its Boards, Commissions and Authorities are hiring! A Check Out our Career Opportunities [here](#).

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.

Past performance does not guarantee future results. Investment return and principal value may fluctuate, so account value in State Treasurer's Office savings programs at the time of the withdrawal may be higher or lower than the amount invested.

This material is not intended to provide, and should not be relied on, for tax, legal or financial advice.

ASK FIONA

Dear Fiona,

I own a small restaurant in Oakland and I am still struggling to recover financially from the pandemic. A friend told me that there is a grant program that awards money to businesses that lost money due to employees taking COVID-19 paid sick leave. What is this program and how can I apply?

Sincerely,

Jackson

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Dear Henry,

California launched the [Supplemental Paid Sick Leave \(SPSL\) Grant Program](#) in April 2023 to provide support to qualified small businesses and nonprofits that incurred costs for COVID-19 supplemental paid sick leave. Grant awards range from \$5,000 to \$50,000, depending on the paid sick leave provided by the applicant.

Round 1 of the program is now closed, but Round 2 is coming soon. Applications will be available on the SPSL Grant Program website. To be notified when the application window for Round 2 opens, complete the [Notification Form](#). Grants will be awarded on a first-come, first-served basis, so don't delay applying once Round 2 opens. In the meantime, you can get started on the application process by gathering the [required documents](#).

Sincerely,

Fiona



Have a Question for the Treasurer?

Address letters to:

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

Send emails to:

AskFiona@treasurer.ca.gov, with
the subject line: "Ask Fiona"

Supporting California's Workforce Today and in the Future

The State Treasurer's Office supports California's laborers, from truckers to nurses, through a number of different programs. Below are just a few examples.

Assisting Businesses and Employees through the Transition to Carbon Neutrality



California's ambitious climate policy aims to achieve carbon neutrality by 2045 and 90% clean energy by 2035. The transportation sector is responsible for more than half of California's greenhouse gas emissions. In an effort to achieve carbon neutrality, the state is prioritizing clean transportation solutions. California's Advanced Clean Cars Program, administered by the California Air Resources Board (CARB), puts it on track to achieve 100% zero-emission new passenger car sales by 2035. CARB is also developing a regulation to encourage the production of medium and heavy-duty zero-emission fleets with the goal of achieving a zero-emission truck and bus fleet by 2045.

A skilled workforce is key to the state's overall greenhouse gas emission reduction strategy. A sustainable and inclusive economic future for California requires the state be aware of the impacts faced by businesses and the workforce, and support them through an equitable transition to 100 percent zero-emission vehicles (ZEVs).

Several programs housed in the State Treasurer's Office promote carbon neutrality while supporting the state's workforce through the ZEV transition. These programs include the [California Capital Access Program \(CalCAP\)](#), [California Air Resources Board \(CARB\) Heavy-Duty Vehicle Air Quality Loan Program](#), also known as the CalCAP CARB Truck Loan Program, and the [Sales and Use Tax Exclusion \(STE\) Program](#).

The CalCAP CARB Heavy-Duty Vehicle Air Quality Loan Program, which recently sunset on July 31, 2023, was administered by the California Pollution Control Financing Authority (CPCFA) with CARB as an independent contributor. It was a loan loss reserve program that provided credit enhancements for the purchase of heavy-duty vehicles driven primarily in California to comply with the State's engine emission standards. In a funding partnership that began in 2009 with CARB, CalCAP contributed \$219 million to support more than 40,000 loans to assist California small business owners to purchase more than 41,000 cleaner trucks, which is the equivalent of removing over 13 million passenger cars from the road and 182 tons per year of particulate matter. Nearly half of the enrollments benefitted disadvantaged communities. With new air quality regulations in place, the Heavy-Duty Vehicle Air Quality Loan Program provided credit enhancements that met the needs of small business truckers seeking financing for air-quality compliant vehicles, including ZEVs.



CPCFA will transition the momentum gained under the Heavy-Duty Vehicle Air Quality Loan Program to a new program currently under development with CARB. Under the new program, credit enhancements and nonfinancial support will be made available to the operators of medium- and heavy-duty vehicle fleets to make their transition to ZEVs a viable and equitable option.

The STE Program, administered by the California Alternative Energy and Advanced Transportation Financing Agency (CAEATFA), provides a sales and use tax exclusion to manufacturers that promote advanced transportation, renewable fuels, alternative energy, and recycling. These manufacturers create tens of thousands of high-paying, permanent jobs that bolster the state's economy while reducing the levels of greenhouse gas emissions. CAEATFA has awarded a number of ZEV projects including electric vehicle manufacturing, electric vehicle drivetrain manufacturing, electric vehicle charging station production, and electric vertical take-off and landing aircraft manufacturing. CAEATFA also supports indirect manufacturers whose product will be used to aid the ZEV industry, such as producers of renewable hydrogen fuel production and lithium batteries, and lithium extracting and recovery

Supporting California's Workforce Today and in the Future

businesses. Since the STE Program began in 2010, it has supported thirty-seven ZEV related projects, totaling \$4.3 billion in equipment purchases (an estimated \$360 million in sales tax savings). These projects created over 22,000 jobs and generated approximately \$519.5 million in net fiscal and environmental benefits for the state.

Keeping Financially Distressed Hospitals Open and Hospital Workers Employed

California's not-for-profit and public hospitals are integral to the state's healthcare system and provide substantial levels of care to the uninsured and Medi-Cal and Medicare populations. Rising operating expenses and other costs have outpaced reimbursement rates, causing some facilities to close or declare bankruptcy, while others have struggled to stay afloat.



To address the growing crisis, Governor Gavin Newsom signed Assembly Bill 112 on May 15, 2023, which created the [Distressed Hospital Loan Program](#) (DHLP), a partnership between the California Health Facilities Financing Authority (CHFFA), housed within the State Treasurer's Office, and the Department of Health Care Access and Information. Through DHLP, CHFFA will provide \$150 million in zero-interest loans to these financially distressed hospitals.

Hospitals, especially those located in rural areas, have significant economic impact on the communities they serve. They are often one of the main sources of employment in the local community. The DHLP is not only helping to maintain a continuity of care for communities, but also keeping thousands of front-line workers employed.

Preparing the Workforce for Retirement

The [CalSavers Retirement Savings Program](#) (CalSavers) was founded on a simple premise: that all California workers deserve access to the tools needed to save for their futures regardless of where they worked, how many hours they worked, or the size of their employer. In 2016, before the launch of the program, the AARP Public Policy Institute (PPI) estimated that over 7.5 million California workers did not have access to a workplace-based retirement option. PPI research also shows that workers are far more likely – up to 15x more likely – to save if they have access to a payroll deduction savings plan at work. CalSavers was designed to improve retirement security in California, where half of all private sector employees are on track for financial hardship, by ensuring everyone has an easy way to save for their future.



CalSavers was launched on July 1, 2019, and since then over 230,000 employers have taken action to support their employees' retirement savings objective. Over 117,000 of those employers have registered for CalSavers, and the rest have reported that they now have an employer sponsored plan in place. Combined, those employers have over 6.5 million employees who may now have an opportunity to save whereas they did not have before. Gig workers, self-employed individuals, or anybody who wants to save part of their income can enroll in the program.

CalSavers offers an easy path to retirement security for all working Californians. Workers who take advantage of this program are not only setting themselves up for a healthy financial future, but are also building generational wealth for their families in the years to come.

Guest Perspective: The High Road in Workforce Development

This month's Guest Perspective is from the California Workforce Development Board.



Since 2017, the California Workforce Development Board (CWDB) has invested more than \$200 million in dozens of High Road training partnerships. Throughout the state, programs in more than 20 industries, including construction, electric vehicle manufacturing, healthcare, hospitality, transit, logistics, janitorial, and others, have implemented the High Road framework through this investment. The [High Road framework](#) is rooted in three foundational components: equity, job quality, and climate resilience. This establishes a workforce development approach in which industry-based partnerships comprised of employers, workers, and worker organizations identify workforce gaps, opportunities for upskilling, and increase access to good jobs for people from historically underrepresented groups.



As a concept, High Road works to rebuild connections between the long-term interests of workers, employers, and our collective climate future. High Road as a policy agenda breaks down silos falsely separating “economic development” from “workforce development” and “environmental protection.” Different areas of the economy suffer from different

impediments to a High Road - inadequate access to existing good jobs versus low quality jobs disproportionately taken up by workers of color. Achieving a High Road economy involves the deployment of multiple policy strategies at once. This includes, raising the profile of low-wage work, equitable access to high-quality jobs, and investing in a low-carbon future.

At the regional and community level, High Road practitioners are building capacity for economic resilience with a shared understanding that a resilient workforce requires an intentional partnership; one with both workers and employers at the table where stakeholders are equally focused on building ecosystems of economic prosperity for individuals and families who have long faced a cycle of poverty.

For Andrea, a single mother of three and a full-time in-home caregiver for her son with autism, making ends meet felt like a hopeless and never-ending struggle. That changed when Andrea learned about [IEWorks](#), a High Road Training Partnership based in the Inland Empire. IEWorks is a consortium of water/wastewater agencies and community groups that connects individuals, like Andrea, to pre-apprenticeship workforce training programs that create a pipeline to quality jobs in the public sector water/wastewater industry. Andrea was referred to IEWorks through the Inland Empire Black Worker Center (IEBWC), a community-based organization that supports workers' career goals by providing referrals to apprenticeships and other training-related opportunities. The IEBWC partners with Jewish Vocational Service (JVS), a non-profit supporting people to find good jobs with pathways for economic advancement. IEWorks provides a variety of pre-apprenticeship supportive services, including childcare. For moms like Andrea, childcare made all the difference in her ability to apply for the program with the goal of transitioning from low-wage work to a quality job.



Andrea, IEWorks participant
(Photo Credit: CWDB)

As we prepare to celebrate Labor Day, a recognition of the social and economic achievements of the American worker, it's important to look ahead to form the building blocks for the workforce of the future. It's time for a movement, the High Road movement.

ScholarShare 529 Promotion

September is National College Savings Month! Earn a \$100 Bonus with ScholarShare 529

September is National College Savings Month. ScholarShare 529 is celebrating by offering a limited time \$100 bonus to families who open new 529 college savings accounts!

The \$100 bonus will be awarded to eligible participants who open new ScholarShare 529 accounts between September 1 through September 30, 2023. What better time than College Savings Month to take that first step to open a ScholarShare 529 account and start saving for future higher education expenses. Even if you only can save a little, your savings can mean a lot, and make a real difference.



COLLEGE SAVINGS MONTH

Get a

\$100 bonus

when you open a new

ScholarShare 529

account!*

ScholarShare529

TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter for California's ScholarShare 529. See Terms and Conditions. FAD-2961070PR-Y0823W

ScholarShare 529, California's official college savings plan, offers families a tax-advantaged way to save for the cost of higher education or career training. We hope to play a role in helping to make college accessible and affordable for every child in California.

ScholarShare 529 provides 100% tax-free growth, low fees, and flexibility. Funds can be used on tuition, fees, room and board and other expenses at colleges, universities, vocational schools, for graduate or post graduate programs, apprenticeships and more.

*To qualify for the \$100 promotion, new account owners must open a new ScholarShare 529 account with an initial contribution of \$1,000 or more. For more information on this offer, including complete terms and conditions, or to learn more about ScholarShare 529, visit www.scholarshare529.com/bonus.

In the Community

August 14 – State Treasurer Fiona Ma provided the keynote address at the California Resource Recovery Association's annual conference, *"REinvesting in California's Recycling Systems."* She shared how the State Treasurer's Office supports recyclers and recycling systems, while helping the state achieve its environmental stability goals through sales tax exclusion awards and bonds. The conference was attended by hundreds of local zero waste and sustainability professionals.

"We don't have to wait for Washington D.C.; as the fifth largest economy, we can take action now!"
– State Treasurer Fiona Ma, CPA



Treasurer Ma speaks to a full house at the California Resource Recovery Association's annual conference.

(Photo Credits: External Affairs Division, State Treasurer's Office)



August 15 – State Treasurer Fiona Ma joined California Secretary of State Dr. Shirley N. Weber, Northern California Small Business Development Centers, California Office of the Small Business Advocate, and other state partners for a small business seminar, *"Transforming your Business with Resources from the Golden State."* Over 100 small business owners attended this informative presentation and learned how to access capital, invest in energy efficient upgrades, and tap into resources for success.



Left: Treasurer Ma with co-host Secretary of State Dr. Shirley N. Weber.
Right: Treasurer Ma with Jonathan Herrera, Director of Strategic Stakeholder Engagement and Customer Experience, CalSavers Retirement Savings Program.
(Photo Credits: Executive Office, State Treasurer's Office)

In the Community

August 17 – Chief Deputy Treasurer Patrick Henning attended Affirmed Housing's grand opening of The Helm, a 77-unit affordable housing development in San Diego's Cortez Hill neighborhood. On-site resident services include adult education, health and wellness, and skill building classes. The property was financed in part through awards issued by the California Tax Credit Allocation Committee and the California Debt Limit Allocation Committee.

"Building quality affordable housing in California is like putting together a complicated jigsaw puzzle. The way that this building got built started with the strong support of Mayor Todd Gloria and the City Council with easements and other local financial support, tax credits and bonds from the state, federal resources, private sector funding, and of course the desire by the community."

– Chief Deputy Treasurer Patrick Henning



Chief Deputy Treasurer Patrick Henning (third from right) joins Affirmed Housing, California Housing Finance Agency, San Diego Housing Commission, San Diego Housing Federation, and other key partners at the ribbon cutting ceremony at the grand opening of The Helm in San Diego. (Photo Credit: Affirmed Housing)

August 29 – State Treasurer Fiona Ma joined a delegation of Fresno area officials and community leaders for a day long tour of Fresno's visionary projects. They visited with veterans at the Fresno Veterans Home, toured affordable housing projects, and spoke to students at Fresno City College. Coverage from [ABC30 Action News](#), [CBS47](#), and the [Fresno Bee](#) helped convey the message that Fresno's collaboration with California state agencies, like the California State Treasurer's Office, has brought hundreds of millions in dollars of state resources to the Fresno community. Change takes everyone working together and the Fresno community is a shining example of those partnerships.



Left: Treasurer Ma meets with local leaders at Fresno Housing.

Pictured from left to right: Tyrone Roderick Williams, CEO, Fresno Housing; Treasurer Ma; Fresno Mayor Jerry Dyer; and Nathan Magsig, Fresno County Board of Supervisors, District 5.

Above: Treasurer Ma meets with veterans at the Fresno Veterans Home.

(Photo credits: External Affairs Division, State Treasurer's Office)

Upcoming Events

CDIAC WEBINAR

Municipal Green Bond Disclosure: Investor Guidance and Issuer Perspective



The requirement of public agency issuers to inform investors through reliable and thorough disclosure is central to a well-functioning municipal market. However, with the continued growth of labeled debt over the last decade – particularly green bonds – issuers may not be familiar with the specific investor expectations for green bond disclosure. In May 2023, the California Green Bond Market Development Committee released a paper, *Recommended Approach to Municipal Green Bond Disclosure*, to provide insight on investors’ expectations. Attend this webinar offered by the California Debt and Investment Advisory Commission (CDIAC) on September 19, 2023, to explore the recommendations contained in the paper and hear from investors that participated in the development of the report as well as issuers of green bonds.



Register at
www.treasurer.ca.gov/cdiac/seminars