

MARCH 2024

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

It is important to recognize that the mental health needs of our country remain elevated due to many factors, not least of which is the COVID-19 pandemic. According to a [report](#) published by the Kaiser Family Foundation and CNN, 90 percent of adults in the United States believe that we are facing a mental health crisis and 47 percent of parents think the pandemic had a negative impact on their child's mental health. State and federal government play a major role in helping to address the mental health needs of those suffering. I'd like to draw your attention to page 3, where you can learn how my office positively impacts California's mental health system. Through two vital programs, the Healthcare Expansion Loan Program and the Investment in Mental Health Wellness Grant Program for Children and Youth, my office has made a positive impact on Californian's access to critical health care.

Also in this month's newsletter, I'd like to focus on small businesses, which are the backbone of California's economy. March 29th is National Mom and Pop Business Owners Day. On this day, we celebrate small business owners and the hard work and dedication they put into growing their enterprises. As a former small business owner myself, I understand how important it is to support small businesses and my office is here to do just that. A new program housed in my office, the California Investment and Innovation Program (Cal IIP), is empowering local financial institutions to provide essential financial services and support to small businesses and underserved communities across California. To learn more about Cal IIP and its impact on California communities, please turn to page 5.

In closing, I ask you to join me in supporting our mom and pop businesses this month and throughout the year. Shop local, leave a glowing review for your favorite businesses, or simply mention a local business on social media.

In Peace and Friendship,

A stylized, handwritten signature of Fiona Ma.

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.

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.

For more information about our programs and upcoming events, please visit:

<https://www.treasurer.ca.gov>

ASK FIONA

Dear Fiona,

I found a state tax refund check from 2022. The bank won't accept the check because it is too old. How can I get a replacement payment?

Sincerely,

Amanda

Dear Amanda,

State-issued checks are valid for a year from the issue date. Checks that are older than one year become stale dated and cannot be cashed or deposited. To request a replacement payment, you need to [contact the initiating state agency](#). In your case, you'll need to contact the [Franchise Tax Board](#), as that is the agency that issues state refund payments. Further instructions on how to request a new tax refund check can be found on the FTB's [Help with Refunds](#) webpage.

Sincerely,

Fiona



Have a Question for the Treasurer?

Send emails to:

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

**THOUSANDS
OF NEW
JOBS IN
CALIFORNIA.**

More than \$164 million in tax credits are available for businesses that are expanding and adding quality, full-time jobs in California.

Apply for the latest round of the California Competes Tax Credit! The deadline is March 18 at 11:59 p.m. Pacific Time.

Expanding California's Mental Health Care System

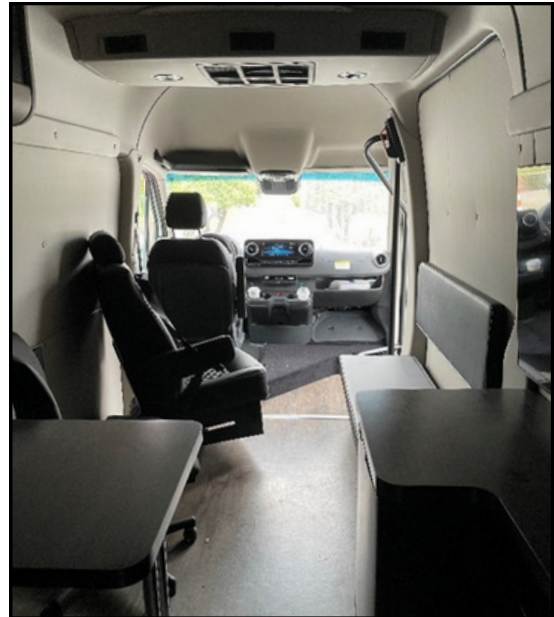
Over 50 million Americans are experiencing a mental illness

According to a 2020 [report](#) published by the California Budget and Policy Center, 1 in 13 children and youth experience a serious mental disturbance, while 1 in 6 adults experience a mental illness. This means that millions of California's children, youth, and adults rely on the state's mental health care system for treatment for a mental health condition.

Two programs administered by the California Health Facilities Financing Authority, chaired by Treasurer Ma, play a critical role in the expansion and improvement of California's mental health system. From 2016 to 2023, the [Investment in Mental Health Wellness Grant Program for Children and Youth](#) (CY Grant Program) provided grants to fund 25 projects for programs that offer mental health crisis services for children and youth, 21 years of age and younger, and family respite care services for the caregivers of those individuals. The [Healthcare Expansion Loan Program II](#) (HELP II) also assists health facilities in expanding and improving services to Californians by providing direct low-cost loans to purchase or construct new facilities, remodel, or renovate existing facilities, purchase equipment or furnishings, and refinance existing debt.

Spotlight: Santa Cruz MERTY Program

The Santa Cruz Mobile Emergency Response Teams for Youth (MERTY) delivers crisis response services to youth and families in Santa Cruz County through a mobile, field-based model. Clinicians are trained in trauma-informed and culturally responsive practices and respond in pairs to youth anywhere in the community, including schools, urgent care clinics, and community-based organizations. As part of the intervention services, youth are assessed to understand the need for intervention, which might include utilizing family support, safety planning, referrals to community-based services, or if needed, placement in a psychiatric hold for further evaluation in a safe setting. Since 2021, Santa Cruz MERTY has responded to 1,193 mental health calls.



The Santa Cruz County Behavioral Health Services Division was awarded two grants through the CY Program to develop two mobile crisis support teams consisting of two vehicles and five full-time equivalent staff. In total, the County was awarded \$995,332.00 in CY Program grant funding consisting of \$421,778 in one-time capital funding, and \$573,554 in annual personnel funding, for up to five years. The County converted two sprinter vans into Mobile Behavioral Health Offices through the installation of desks, chairs, wheelchair lifts, televisions, and small refrigerators for beverages, all to provide clients with a more comfortable environment.



Expanding California's Mental Health Care System

CONTINUED

Spotlight: Transitions Mental Health Association

Transitions Mental Health Association (Transitions) is a private 501(c)(3), community-based agency serving adults and youth in San Luis Obispo and Northern Santa Barbara counties, who are living with mental illness. Established in 1979, Transitions' mission is to overcome stigma and to achieve recovery and wellness for people with mental illness by offering housing, employment, community, and family support services. In 2022, Transitions served over 5,500 mental health patients and families and reached over 12,000 local contacts to educate the community about the treatment and recovery options for mental illness.

In July 2023, CHFFA's board approved Transitions' request for a loan through the HELP II program in the amount of \$1,840,000. Loan proceeds were used to purchase property in San Luis Obispo to relocate its Youth Treatment Program to a larger property. Transitions' existing facility was a six-bedroom, restored Victorian single-family residence for teens who required 24-hour care to deal with a variety of mental health diagnoses, learning disabilities, social adjustment issues, and other developmental challenges. The home became too small for the program and, since it was located in a crowded, urban environment, there was no opportunity for expansion to accommodate the staff and services that Transitions provides. The new property is a single-family residence on the outskirts of the service community that can accommodate nine mental health clients. The new property offers 1,800 square-feet of additional living space, room for one-on-one therapy sessions, staff offices, and greater recreational options.



Improving Access to Capital for Economically Disadvantaged Communities

Small businesses represent 99.8 percent of all businesses in California

Small businesses are the lifeblood of the U.S. economy. According to the [U.S. Small Business Administration's Office of Advocacy](#), there are 4.1 million small businesses in California, accounting for 99.8 percent of all California businesses. California's small businesses also employ 47 percent of the state's total workforce.

It can be very challenging to start and grow a business. Small businesses often struggle to access the credit and capital necessary to thrive. The State Treasurer's Office (STO) is here to support these businesses. Under a new and exciting initiative led by the STO, the [California Investment and Innovation Program](#) (Cal IIP), helps to deploy resources to underserved communities. Cal IIP provides grants of up to \$15 million annually to Community Development Financial Institutions (CDFIs) to expand their services and enhance their capacity to provide technical assistance and capital access to economically disadvantaged communities in California. These services range from affordable housing projects to supporting small businesses and facilities that contribute to community revitalization and stability.

"The Cal IIP program is a critical development tool to help California's underserved communities overcome economic challenges and I'm thrilled to be putting this money to use. CDFIs support small businesses and working families, and create unique programs and services that meet the needs of their communities. I encourage everyone to seek out what programs and services their local CDFI offers."

– State Treasurer Fiona Ma

On January 16, 2024, the California Pollution Control Financing Authority Board, chaired by Treasurer Ma, approved Cal IIP's inaugural grant awards totaling \$14.2 million to 63 eligible CDFI applicants. These grants will enable the CDFIs to continue expanding economic opportunity by providing affordable credit and investment capital to small businesses. The State Treasurer's Office is proud to bolster these community-based lenders. To learn more about these grant awards, check out this [news release](#).

Spotlight: First Community Capital

First Community Capital is just one of many CDFIs that received a grant through Cal IIP. The financial institution is dedicated to supporting startups and entrepreneurs through financial assistance and mentorship. It provides the financial support, resources, and guidance necessary to turn entrepreneurial dreams into reality.



"First Community Capital is honored to be one of the recipients of the Cal IIP award. This critical funding will significantly enhance our capacity to support underserved small businesses within the Inland Empire, covering Riverside and San Bernardino counties. The Cal IIP funds will enable us to empower these businesses by providing them with microloans of up to \$25,000, which are essential for covering working capital, equipment purchases, inventory, and startup costs."

Additionally, thanks to this funding, we are launching the New Horizon Academy, a groundbreaking program aimed at supporting formerly incarcerated individuals who aspire to entrepreneurship, specifically as truck drivers and owner-operators. This academy will offer seminars and hands-on training, helping participants to obtain all necessary documentation and comply with regulations at no cost. We are also partnering with Enterprise Car Rental to assist graduates with financing their box trucks."

Our commitment extends beyond immediate financial support; we aim to foster long-term growth and stability. By strengthening small businesses and supporting individual entrepreneurship, we are investing in the heart and future of our community. We are thrilled to collaborate with the State Treasurer's Office through the Cal IIP program to turn this vision into a reality."

— T. Jay Diallo – President & CEO

In the Community

Hurrica Restaurant Grand Opening

January 24 (Redwood City): The State Treasurer's Office welcomed a new business to California, Hurrica Restaurant of Redwood City. Christian Daly, External Affairs Manager, presented a certificate of recognition for Hurrica's grand opening as he congratulated the restaurant's cofounder, MeeSun Boice.

Pictured right: External Affairs Manager Christian Daly presents a certificate of recognition to MeeSun Boice, Hurrica Restaurant's cofounder. Also pictured far right: Ethel Reddy, Hurrica Restaurant community supporter.

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



Tour of San Francisco LightHouse for the Blind and Visually Impaired



January 25 (San Francisco): Treasurer Ma visited San Francisco LightHouse for the Blind and Visually Impaired to film a special message for CalABLE's 2024 Ambassador Program. While onsite, staff toured the service organization, learning about the impact services offered to the LightHouse's clients ranging from youth to the elderly.

Pictured above (left to right): Kathryn Asprey, External Affairs Director; Sharon L. Giovinnazzo, LightHouse CEO; Christian Daly, External Affairs Manager; Treasurer Ma; and Anne Osborne, CalABLE Deputy Executive Director.

(Photo credit: Communications Division, State Treasurer's Office)

Tour of SA Recycling

January 26 (San Pedro): With a focus on improving the environment while creating jobs, Treasurer Ma recently toured the SA Recycling facility at Terminal Island. As a comprehensive metal recycler, SA Recycling accepts various scrap types, from cars to household recyclables. At this LA Port/Terminal Island location, using their 9,000 horsepower advanced Mega-Shredder, they export 1.2M tons of ferrous material, producing four commodities: shred, heavy melt, plate and structure, and busheling.

SA Recycling employs 1,800 people in California with high-paying International Long Shore and Warehouse Union Local 26 jobs with full benefits, profit sharing, and bonuses.



Pictured above: Treasurer Ma tours Radius Recycling's Oakland facility along with industry expert and Chief Operating Officer of Radius Recycling, John Hebert.

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

In the Community

CalEITC: Day at the Capitol - Campaign for Prosperity

February 1 (Sacramento): Treasurer Ma stopped by the State Capitol to lend support for CalEITC: Day at the Capitol - Campaign for Prosperity. The Treasurer and Assemblywoman Stephanie Nguyen signed the Pledge for Prosperity to preserve the funding in this year's budget for the California Earned Income Tax Credit (CalEITC) and the Young Child Tax Credit.

As the Treasurer returned to her office, she noticed a group of students touring the historic original State Treasurer's Office and stopped for an impromptu surprise visit. The Treasurer was met by California State Capitol Museum volunteer, Marilyn, and students from Concow Elementary School in Oroville, California. You never know who you may see when visiting California's Capitol!

Pictured at top right: Pete Manzo, President & CEO, United Ways of California; Amy Everitt, President, Golden State Opportunity; Assemblymember Stephanie Nguyen; Linda Swank, Director of Operations, GRACE & End Child Poverty California; and State Treasurer Ma sign the Pledge for Prosperity.

Pictured at bottom right: Treasurer Ma surprises Ms. Darcy Pollack's class from Concow Elementary in Oroville, California with an impromptu Q&A with students.

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



2024 Class of California Coro Fellows visit the State Treasurer's Office



Pictured left: Coro Fellows (back row, L to R) David Caddle, Kai Milici, Nina Suh-Toma, Hannah Wenger, Ashley Budelli, Deepa Bajwa, Christian Ali, Luis Ornelas met with State Treasurer's Office Leadership (front row, L to R), Chief Deputy Patrick Henning, Deputy Treasurer Khaim Morton, State Treasurer Fiona Ma (virtual), and Deputy Treasurer Juan Fernandez.

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

February 5 (Sacramento): The 2024 Class of California Coro Fellows in Public Affairs sat down with Treasurer Ma and her Executive Team as part of Coro Fellows' State Government Focus Week activities. The Coro Fellows program develops emerging leaders to work and lead across different sectors by equipping them with knowledge, skills, and networks to accelerate positive change.

The Fellows met with leadership to discuss the State Treasurer's vital role in maintaining California's economic competitiveness and how policymaking ensures decisions align with the state's financial priorities and needs.