

SEPTEMBER 2024

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

September is National College Savings Month—a perfect time to focus on planning for your child's future. Investing in a college savings plan can make higher education more accessible, easing the financial burden on families. As tuition costs continue to rise, it's crucial to start saving early. This month, we encourage all families to explore opening a ScholarShare 529 account. Beyond helping you save for higher education, my office offers several other savings programs to help you prepare for the future. Please turn to page 3 to learn more about these programs.

My office also provides resources to help businesses thrive in California. The Sales Tax Exclusion (STE) Program, administered by the California Alternative Energy and Advanced Transportation Financing Authority, is a valuable resource for companies investing in manufacturing and research in California. By offering tax exclusions on purchases of qualified equipment, the STE Program supports businesses that are developing green technologies and creating high-quality jobs. Please turn to page 5 to learn more about how your business can benefit from the STE Program and contribute to a cleaner, more prosperous future.

Lastly, in this month's newsletter, I'm proud to spotlight one of my office's partners: United Ways of California - an organization dedicated to improving the health, education, and financial stability of families across the state. Their commitment to equity and opportunity aligns closely with our mission, and we are honored to collaborate with them in creating a stronger, more inclusive California. Please turn to page 6 to read about how, together, we are making a tangible difference in the lives of countless individuals and families.

In Peace and Friendship,

A stylized signature of Fiona Ma.

Fiona Ma, CPA
California State Treasurer



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

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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've always wondered, what exactly does the California State Treasurer do?
Sincerely,

Andrew

Dear Andrew ,

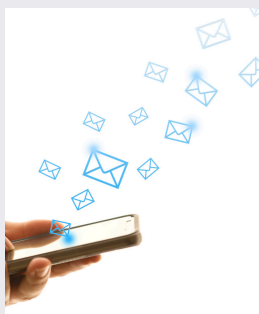
Great question! As your State Treasurer, my role is to ensure that California's financial systems are operating smoothly, securely, and in a way that benefits all Californians. Here's a snapshot of what my office handles:

- 1. Serving as the State's Banker:** Last year, my office processed approximately \$3 trillion in banking transactions.
- 2. Managing the State's Investments:** We oversee billions in taxpayer funds, ensuring they're invested safely to support public services like schools, infrastructure, and healthcare. My team works diligently to ensure these funds are invested wisely, balancing safety, liquidity, and yield.
- 3. Issuing Bonds for Public Projects:** We fund major projects, such as roads and affordable housing, by securing favorable bond terms to save taxpayer money.
- 4. Supporting Local Governments:** We assist local governments with debt issuance, investments, and financial training to help communities thrive.
- 5. Promoting Economic Development:** We support economic growth through small business financing and job creation programs.
- 6. Championing Financial Education:** We believe that financial literacy is vital for all Californians. That's why we offer resources and programs designed to help individuals and families better understand and manage their finances. Whether it's planning for college or saving for retirement, we're here to help.
- 7. Ensuring Fiscal Responsibility:** As the state's banker, I take the responsibility of safeguarding California's financial future very seriously. This includes ensuring that the state's credit rating remains strong and that we are prepared to meet our financial obligations now and in the future.

Our goal is to protect and grow California's financial health, impacting taxpayers, local officials, and small businesses while fostering a prosperous future for all.

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

Celebrating College Savings Month

College Access Tax Credit Fund: Unlocking Doors of Opportunity for HBCU-Bound Students

Did you know that you or your business can make a cash contribution to a fund that bolsters financial aid for low-income college students in exchange for a tax credit equal to 50% of your contribution?

The [California Educational Facilities Authority](#) (CEFA), chaired by State Treasurer Fiona Ma, administers the [College Access Tax Credit Fund](#) (Fund). This Fund supports the Cal-HBCU Transfer Grant Program, providing up to \$5,000 in grants to California community college students transferring to Historically Black Colleges and Universities (HBCUs) and who plan to bring their skills back to California after they graduate.

Assembly Bill 1400 (Bryan), which was signed into law in 2023, shifts the focus of the Fund from Cal Grant B recipients to HBCU transfer students. Currently, California doesn't have any HBCUs, so students wanting to experience this unique college experience must do so out of state. AB 1400 provides support to California's students looking to transfer to an HBCU and bring their talents back to California upon completion of their degree.

For 2024, the Fund has \$489 million in tax credits are available to offset or reduce taxes. Taxpayers can apply for the credit through the [CEFA website](#). For assistance with the application process, or payment of contributions, please contact CEFA at (916) 654-5711.

"The College Access Tax Credit Fund helps offset the ever-increasing cost of college tuition. Investing in the Fund is more than a contribution—it's a commitment to unlocking doors of opportunity for students. By supporting their education, we empower the next generation to reach their full potential and shape a brighter future for us all."

— State Treasurer Fiona Ma



Save Today for a Brighter Tomorrow

September is National College Savings Month, a time to celebrate the millions of Americans - including many from California - who are saving for higher education. Whether you're a parent, grandparent, or future student, this month serves as a reminder of the valuable tools and resources available to help make college more affordable, including tax-advantaged 529 plans.



ScholarShare 529, administered by the ScholarShare Investment Board and chaired by State Treasurer Fiona Ma, is California's official college savings plan. ScholarShare 529 offers a tax-advantaged way to save, with a variety of low-cost investment options. Plus, withdrawals are exempt from state and federal taxes when used for qualified educational expenses.



Veonica with her daughter.
Photo Credit: ScholarShare Investment Board

"Having a ScholarShare 529 account for my three-year-old daughter gives me peace of mind knowing she'll have the chance to go to college when the time comes."

— Veronica, Palm Desert, CA

Beyond saving for college, the State Treasurer's Office administers several other programs that allow families to save for the future and build generational wealth. These programs include:



[CalKIDS](#) gives money for college or career training to newborns and eligible students in California. Children born in California on or after July 1, 2022, receive up to \$100 in a CalKIDS college savings account, and eligible low-income public school students are awarded a college savings account with an initial deposit of at least \$500.

cont'd...

Celebrating College Savings Month

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HOPE for Children Trust Account Program (coming soon) will provide a trust account to an eligible child who lost their parent(s) or guardian to COVID-19 during the public health emergency, as well as children who have been in the foster care system for over 18 months. By providing resources to children facing economic hardship, this program aims to narrow the wealth gap and advance social and economic well-being.



CalABLE is a savings and investment plan offered to individuals with disabilities. Eligible individuals, family, friends, and employers can contribute up to \$18,000 a year without affecting the account beneficiary's public disability benefits. CalABLE provides individuals with an opportunity to build wealth and gain financial wellness in a way that supports living with a disability.



CalSavers, California's retirement savings program, expands opportunities to people at all economic levels to save for retirement. CalSavers allows Californians to save not only for their own future economic stability, but to also create and pass on a culture of savings to their families.



College Countdown:
Your ultimate college
transition guide!

CollegeCountdown.ScholarShare529.com



ScholarShare529SM COLLEGE COUNTDOWN



ScholarShare 529 also offers the **College Countdown** program, a resource for parents of high school students preparing for college. College Countdown has insights about admissions, student life, academic success, affording college, and parenting. It even includes a **Parent Advisory Council**, made of a group of ScholarShare 529 parents with children already using their 529 savings for college, who are ready to answer questions and provide support to other parents.

Sales Tax Exclusion Awards

Providing Incentives for Cutting-Edge Companies

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), chaired by State Treasurer Fiona Ma, supports California's mission to provide financial incentives to cutting-edge companies by offering a sales tax exclusion (STE) to manufacturers purchasing equipment to promote alternative energy, advanced transportation and recycling, as well as advanced manufacturing. These manufacturers create tens of thousands of high-paying, permanent jobs that bolster the state's economy.

CAEATFA recently approved \$98 million in STE for 27 California manufacturing projects. The projects will create and support more than 9,300 jobs, provide more than \$230 million in benefits to the state and local economies, and help the state achieve climate policy goals.

“The STE program continues to support companies that are investing in California’s future. These projects are making advancements in electric vehicles, computer technologies, batteries, and alternative sources of energy, while creating thousands of good jobs and boosting local economies throughout the state.”

— State Treasurer Fiona Ma

STE Spotlight: Joby Aero, Inc.

One notable STE awardee is Joby Aero, Inc. (Joby), an air taxi manufacturer headquartered in Santa Cruz. Joby's eVTOL Aircraft motors are quieter than a helicopter with a flight range from San Francisco to San Jose.

As part of the most recent round of awards, Joby received \$1.9 million in STE to expand its current Electric Vertical Take-Off and Landing (eVTOL) aircraft manufacturing operations by building out its facility in San Carlos and constructing a new facility in Marina. The San Carlos facility will be dedicated to the production of powertrains and battery packs, while the Marina facility will be dedicated to the production of aircraft. The facilities will support more than 900 construction and production jobs.



Joby's eVTOL Aircraft (Photo Credit: Joby Aero, Inc.)

“The sales tax incentive assistance plays an important part in Joby’s ability to invest and expand in California and help the State retain its leadership in sustainable transportation.”

— JoeBen Bevirt, founder and CEO of Joby

This is Joby's second STE award. In 2019, it received an STE award of \$73.5 million. The exemption supported the development of Joby's first advanced manufacturing production line and was key to the success of its first phase of production.

PARTNER SPOTLIGHT: UNITED WAYS OF CALIFORNIA

At the State Treasurer's Office (STO), we believe that partnerships are the cornerstone of impactful public service. One of our most valued collaborators is the United Ways of California (UWCA), an organization that has consistently demonstrated a commitment to empowering communities and driving positive change across the state.



**United Ways
of California**

A Partnership Rooted in Shared Goals

The partnership between the STO and UWCA is rooted in a shared goal: improving the financial stability and well-being of all Californians. Over the years, UWCA has been an indispensable ally in promoting and implementing key programs and initiatives aimed at supporting families, increasing access to essential services, and fostering economic resilience.

Supporting Financial Empowerment Initiatives

UWCA has made a significant impact in the realm of financial empowerment. Through their extensive network of local United Way organizations, UWCA has helped amplify the reach of the Treasurer's savings programs, ensuring that more Californians have the knowledge and tools they need to manage their finances effectively.



UWCA has been instrumental in promoting the [California Kids Investment and Development Savings Program \(CalKIDS\)](#) and [ScholarShare 529](#) College Savings Plan, empowering families to start saving early for their children's education. Their outreach efforts, particularly in underserved communities, have been vital in expanding the programs' accessibility and impact.

UWCA's involvement in the [CalSavers Retirement Savings Program](#) has also been noteworthy. By mobilizing their network and leveraging their deep connections within communities, UWCA has helped thousands of Californians, especially those working in lower-wage jobs, gain access to retirement savings opportunities that might otherwise have been out of reach.

Introducing MyMoneyPath: Your Personalized Financial Roadmap

UWCA's commitment to empowering Californians aligns perfectly with the Treasurer's priority to ensure that everyone has the resources they need to thrive. UWCA has taken a significant step forward in empowering Californians with the launch of their innovative [MyMoneyPath](#) website, a website designed to help Californians understand the complexities of budgeting, saving, and investing. The website features all of the STO's savings programs.

MyMoneyPath is not just another financial literacy website - this user-friendly platform offers personalized guidance to help Californians at every stage of their financial journey, whether they're just starting out, planning for major life events, or gearing up for retirement.

The website is available in multiple languages and is easy to navigate, regardless of a user's financial background or experience. This inclusivity reflects UWCA's commitment to reaching diverse communities across California, ensuring that everyone has the opportunity to achieve financial success.

Looking Ahead

As we continue to navigate the complexities of economic recovery, the STO is deeply grateful for the ongoing partnership with UWCA. Together, we are making strides toward a more equitable and prosperous future for all Californians. We look forward to many more years of collaboration, innovation, and shared success. Thank you, United Ways of California, for your unwavering dedication and support.

In the Community

UC Riverside School of Medicine's Master of Public Health Program Opens Later this Month



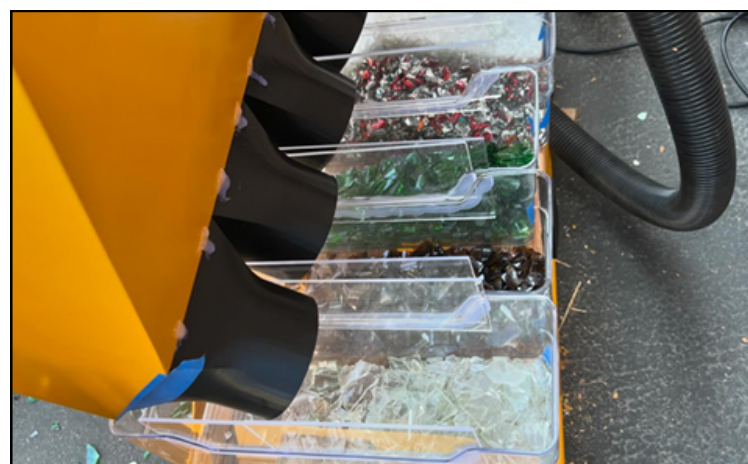
July 22 (Riverside) – State Treasurer Fiona Ma toured the University of California, Riverside School of Medicine's campus as it celebrated its newest initiative - a Master of Public Health program set to begin on September 26th. This two-year, community-focused degree is designed to tackle public health challenges at local, state, national, and global levels.

Pictured Left: State Treasurer Ma was welcomed by the University of California, Riverside as she learned about its new Master of Public Health program. (Photo Credit: Executive Office, State Treasurer's Office)

Lasso Loop unveils home closed-loop recycling system

July 31 (Los Angeles) - Treasurer Ma attended the launch of Lasso Loop and spoke at its Future of Recycling convening. She spoke about innovations in recycling, the importance of circularity, and the various ways that her office supports advancements in the industry.

Lasso Loop is the world's first domestic recycling appliance that provides 100% closed-loop recycling for households. By backing systems like Lasso Loop, California will move closer to achieving its goals in sustainability by diverting waste products and directing them to be recycled, reducing the amount of contamination, and conservation of our precious resources.



Pictured above: Lasso Loop created the world's first domestic recycling appliance that recycles PET plastic, HDPE plastic, green glass, brown glass, clear glass, aluminum, and tin. (Photo Credit: State Treasurer's Office)



Pictured above: Greg Monterossa (left), a Venture Scout with TheVentureCity, and State Treasurer Ma (right). (Photo Credit: Executive Office, State Treasurer's Office)

In the Community

From Girl Scout to State Leader: Treasurer Ma Inspires Future Change-Makers



August 9 (Sacramento) – Treasurer Ma had the pleasure of participating in the Day at the Capitol with the Girl Scouts Heart of Central California, where she shared insights from her early experiences as a top Girl Scout cookie seller to her current role in public service. Alongside Sacramento City Councilmembers Caity Maple and Karina Talamantes, she inspired our future leaders on the importance of civic engagement.

Deputy Treasurer Stephanie Tom also contributed to the event, serving on a panel where she shared valuable insights into public service. This event, which brought together nearly 200 participants, marked the first statewide collaboration between the eight Girl Scout Councils of California and the California Commission on the Status of Women and Girls. The day was filled with workshops, Capitol tours, and meaningful exchanges between the Scouts and state leaders, emphasizing the importance of advocacy and leadership for young women across California.

Pictured above: State Treasurer Fiona Ma (center) enjoys taking questions from enthusiastic Girls Scouts at the Day at the Capitol with Girl Scouts from across the state. *(Photo Credit: Executive Office, State Treasurer's Office)*

Empowering the Next Generation: Treasurer Ma at the 11th Annual LPA Capitol Connections

August 14 (Sacramento) – Treasurer Ma was proud to participate in the 11th Annual Lucas Public Affairs (LPA) Capitol Connections event, a dynamic forum designed to connect young professionals with seasoned leaders in Sacramento's Capitol community. Treasurer Ma joined an esteemed panel, including Dr. J. Luke Wood, President of California State University-Sacramento, and Cynthia Moreno, Press Secretary for California Assembly Speaker Robert Rivas. The panelists shared their professional journeys, offering insights and advice to help guide the next generation of public service leaders.

Treasurer Ma, reflecting on her own path, emphasized the importance of perseverance and the value of diverse experiences in shaping a successful career in public service. She encouraged attendees to remain curious, build strong networks, and embrace the challenges that come with leadership roles.



Pictured above (left to right): LPA Intern Anna Deukmejian; Cassandra Walker Pye, President, LPA; State Treasurer Fiona Ma; LPA Intern Ryan Leung; Donna Lucas, CEO, LPA; and Dr. J. Luke Wood, President of California State University-Sacramento at the 11th Annual LPA Capitol Connections event in Sacramento. *(Photo Credit: Executive Office, State Treasurer's Office)*