

AUGUST 2025

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

As we close out the summer, our work at the State Treasurer's Office continues to focus on creating pathways for economic growth, innovation, and opportunity across California.

In this issue, we highlight the important work of the California Debt and Investment Advisory Commission, which continues to support local governments and public finance professionals through expanded training, updated guidance, and powerful data tools that enhance transparency and fiscal stewardship statewide. Please turn to page 3 to read more.

Page 4 recaps the inaugural convening of the California Creative Economy Finance Network, a new initiative co-led by our office to build a stronger financial infrastructure for artists, creative entrepreneurs, and cultural institutions. California's creative economy is a powerful driver of jobs and innovation—and this network is laying the groundwork to ensure it has the capital it needs to thrive.

On page 5, we're proud to share news of recent Sales and Use Tax Exclusion and Low-Income Housing Tax Credit awards, which are helping manufacturers scale clean technologies and communities build much-needed affordable housing throughout the state. These investments demonstrate how smart financing tools can support both economic development and equity.

Lastly, Governor Gavin Newsom recently signed the state's \$321 billion budget. I'm pleased that the state continues to prioritize forward thinking investments that align with my key priorities: health, education, housing, and climate. Please turn to page 6 to read about state budget items related to the State Treasurer's Office.

In Peace and Friendship,

A stylized, handwritten signature of Fiona Ma in black ink.

Fiona Ma, CPA
California State Treasurer

Table of Contents

p.1	Welcome Letter
p.2	Ask Fiona
p.3	SPOTLIGHT: California Debt and Investment Advisory Commission
p.4	California Creative Economy Finance Network Launch
p.5	Investing in Clean Manufacturing, Jobs, and Housing
p.6	California Budget Update
p.7	Office Buzz
p.9	In the Community

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,

Thank you for visiting my high school recently and speaking with me and my fellow students. I will be graduating next year and hope to pursue a degree in public policy. What advice would you give to young people who are interested in a career in public service?

Sincerely,

Nathan

Dear Nathan,

Thank you for your question! As someone who has dedicated their career to public service, I am always excited to see young people interested in these fields. Here are a few pieces of advice that I hope will inspire and guide you on your journey:

- **Follow Your Passion:** Find what truly excites you and pursue it with dedication. Whether it's finance, public policy, or another area, your passion will drive you to overcome challenges and achieve your goals.
- **Seek Mentorship:** Find mentors who can provide guidance, support, and valuable insights. Learning from the experiences of others can help you navigate your own career path more effectively.
- **Develop Strong Ethics:** Integrity and ethical behavior are crucial in public service. Always strive to make decisions that are fair, transparent, and in the best interest of the public.
- **Get Involved:** Gain practical experience through internships, volunteer work, or part-time jobs. Hands-on experience will not only enhance your skills but also help you build a network of contacts in the industry.
- **Embrace Lifelong Learning:** Never stop learning. The more knowledge and skills you acquire, the more valuable you will become in your chosen field.
- **Be Resilient:** The path to success is not always smooth. Be prepared to face setbacks and challenges, but don't let them deter you. Learn from your experiences and keep moving forward with determination.

A career in finance or public service can be incredibly rewarding. You have the opportunity to make a positive impact on people's lives. Stay focused, work hard, and always keep your goals in sight.

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

Supporting Transparency, Public Finance Education, and Fiscal Responsibility

The [California Debt and Investment Advisory Commission](#) (CDIAC), a vital arm of the State Treasurer's Office, continues to enhance the practice of public finance across California – particularly in support of local governments and their elected officials. At its annual board meeting in June, Executive Director Robert Berry shared that in fiscal year 2024–25, CDIAC made substantial progress in enhancing data transparency, expanding issuer support, and delivering accessible education and policy research to help public agencies make informed financial decisions.

CDIAC's key accomplishments in fiscal year 2024-25 include:

- **Debt Transparency & Data Tools:** CDIAC processed nearly 18,000 reports through its cloud-based Data Portal and rolled out major enhancements to [DebtWatch 2.0](#), including customizable reporting tools, automated summaries, and real-time issuance data.
- **Public Finance Education:** With four in-person programs and two webinars, CDIAC reached nearly 1,000 public finance professionals—a 50% increase in program participation since FY 2022–23. Popular topics included municipal disclosure, credit rating, and public funds investing.
- **Policy Research & Guidance:** CDIAC published timely research, including updates to the Local Agency Investment Guidelines, election-related bond and tax measure reports, and new guidance on lease financing best practices.
- **Strong Fiscal Stewardship:** FY 2024–25 revenues exceeded expectations, allowing CDIAC to maintain a strong fund balance of nearly \$6 million. Careful vacancy management and one-time investments helped offset rising operational costs.

Looking ahead, CDIAC will continue investing in public finance education, transparency tools, and resources to help California agencies and local finance leaders navigate emerging financial trends and requirements. Plans include expanded tutorials for DebtWatch, updated investment guidance, and a new version of the California Public Fund Investment Primer.

To explore CDIAC's tools, reports, and training opportunities, visit: www.treasurer.ca.gov/cdiac.

State Treasurer Fiona Ma Addresses National Public Finance Leaders



(Photo Credit: VST Photography)

In recognition of her steadfast support for public finance education and leadership development, State Treasurer Fiona Ma was honored with an award from the National Institute of Public Finance (NIPF) —highlighting her commitment to strengthening financial stewardship at all levels of government.

Treasurer Fiona Ma delivered the keynote address at the NIPF 2025 event, Leadership Responsiveness and Risk Mitigation in the New World of Treasury Management. Speaking to a national audience of public finance leaders, Treasurer Ma shared insights on navigating economic uncertainty, balancing risk with innovation, and the critical role of responsive leadership in safeguarding public funds and driving equitable investment.

The State Treasurer's Office Launches California Creative Economy Finance Network

The State Treasurer's Office (STO) recently co-hosted the inaugural convening of the California Creative Economy Finance Network, an ambitious new initiative to strengthen the financial infrastructure supporting California's creative sectors.



In partnership with the City of Sacramento's Office of Arts and Culture, Creative Startups, California Arts Council, California for the Arts, University of California Los Angeles, and CLTRE, the STO is helping to build a more inclusive and responsive capital ecosystem for creative professionals, organizations, and institutions across the state.

This first gathering brought together nearly 60 leaders from the worlds of arts, culture, finance, and public policy. Participants engaged in thoughtful collaboration - identifying challenges, sharing perspectives, and brainstorming bold, innovative finance solutions to fuel the growth of California's creative economy.

The creative economy is one of California's greatest assets, generating \$200 billion annually and supporting over 1.8 million jobs. Yet, it faces serious headwinds, including declining federal support, economic uncertainty, and rapid changes in creative technologies. Without meaningful investment, the cultural vibrancy and economic vitality of this sector could be at risk.

The Creative Economy Finance Network seeks to address these challenges through a multi-pronged approach:

1. Building a statewide coalition of financial leaders and creative economy stakeholders;
2. Identifying diverse capital needs across artistic, cultural, and creative ventures;
3. Developing and aligning financial tools—from debt and equity to grants and bonds—to meet those needs; and
4. Piloting and scaling financing solutions to ensure equitable access to capital across all regions and communities in California.



(Photo Credit: State Treasurer's Office)

With this initiative, the STO is helping to bridge the gap between creative talent and financial resources—ensuring that artists, innovators, and cultural institutions not only survive but, thrive in California's evolving economy.

"California's creative economy is one of the most powerful drivers of jobs, tourism, and innovation in the world. But for too long, creative entrepreneurs and cultural institutions have struggled to access the capital they need. This new network is about changing that—by connecting ideas with investment, and talent with opportunity."

– State Treasurer Fiona Ma, CPA



**creative
startups**

CLTRE



Ucla

INVESTING IN CLEAN MANUFACTURING, JOBS, AND HOUSING

The State Treasurer's Office Announces Awards Supporting Sustainability and Innovation

The California State Treasurer's Office continues to drive economic growth through targeted programs that support clean manufacturing and affordable housing. Most recently, two key programs – the Sales and Use Tax Exclusion (STE) program and the Low-Income Housing Tax Credit (LIHTC) program – announced awards supporting sustainability, innovation, and equity across the state.

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) approved STE benefits for 31 businesses across the state. These exemptions allow businesses that purchase equipment and components - used to advance clean energy, sustainable transportation, and recycled content manufacturing - to recoup sales and use taxes. This round of approvals is estimated to support the creation of over 21,000 jobs statewide.

The approved businesses represent a broad spectrum of California's innovation economy, spanning industries such as alternative energy, semiconductors, aerospace, food production, window manufacturing, robotics, electric vehicles, general manufacturing, and recycling.

One notable recipient includes Intuitive Surgical, Inc. and Intuitive Surgical Operations, Inc. (collectively "Intuitive Surgical"), a global technology leader in minimally invasive care and the pioneer of robotic-assisted surgery. Intuitive Surgical received \$2 million in STE to upgrade and expand its existing advanced robotic surgical systems and tools manufacturing facilities located in Santa Clara County.



Intuitive Surgical's Da Vinci XI is one of the most advanced surgical systems in the world, helping doctors perform complex procedures with more precision and control. Used in a variety of specialties—from urology to gynecology—the system allows surgeons to operate through small incisions, which can mean less pain, faster recovery times, and better outcomes for patients. *(Photo credit: Intuitive Surgical)*

The State Treasurer's Office Awards Low Income Housing Tax Credits



The California Tax Credit Allocation Committee also recently awarded \$524.5 million in federal and state Low Income Housing Tax Credits (LIHTC) during its first round of 2025 9% tax credit allocations. These awards will support the development and rehabilitation of 1,209 affordable housing units across 25 projects, including 323 units designated for individuals experiencing homelessness and 74 units for veterans.

The LIHTC programs were created to promote private investment in affordable rental housing for Californians with a low income. Private investors receive federal and, at times, state income tax credits as an incentive to make equity investments in qualified affordable rental housing projects. Since 1986, more than 500,000 affordable housing units have been supported in California due to LIHTC funding.

State Treasurer Fiona Ma celebrates the ribbon cutting of River Walk Terrace, a senior housing community in Paso Robles. *(Photo credit: State Treasurer's Office)*

CALIFORNIA BUDGET UPDATE

2025-2026 California State Budget Update

Governor Gavin Newsom signed California's \$321 billion state budget on June 27th. The 2025-26 spending plan upholds the state's commitment to infrastructure, education, affordable housing, and climate resilience, while maintaining critical reserves to safeguard the state's fiscal health. Included in the budget are allocations to the State Treasurer's Office (STO) and its Boards, Commissions, and Authorities (BCAs) to expand existing programs. Below is a summary of key budget items related to the STO and its BCAs.



California Kids Investment and Development Savings (CalKIDS) Program:

- \$6.1 million reappropriated to support the expansion of CalKIDS to include all foster youth in grades 1–12, beginning in the 2025–26 school year.
- New outreach requirement for Local Education Agencies to provide CalKIDS program information alongside FAFSA communications, helping more families access resources to save for college.

California Health Facilities Financing Authority:

- \$20.6 million reappropriated to allow for the completion of projects funded through the Community Services Infrastructure Grant Program, which supports behavioral health facilities and diversion programs.

CalAccount Blue Ribbon Commission:

- \$1 million appropriated to continue the Commission's work evaluating the feasibility of CalAccounts—a potential public banking option to expand financial inclusion for underserved Californians.

California Tax Credit Allocation Committee:

- \$500 million supplemental state Low-Income Housing Tax Credits approved for the 2026 calendar year. This major investment is part of the state's broader Housing Affordability Package and is designed to leverage private capital for the construction and preservation of affordable housing throughout California.

State Treasurer Fiona Ma Supports Tax Relief for Veterans and Military Families

As part of the enacted budget, State Treasurer Fiona Ma co-sponsored the effort to provide a state income tax exemption for military retirement benefits. Beginning in tax year 2025 and continuing through 2029, eligible veterans and surviving family members may exclude up to \$20,000 annually from their California taxable income. This exemption applies to:

- Military retirement pay from federal service
- Survivor annuity payments under the Department of Defense Survivor Benefit Plan (SBP)



The exemption is available to individuals with annual incomes up to \$125,000, or \$250,000 for joint filers.

OFFICE BUZZ

Office Updates



(Photo Credits: State Treasurer’s Office)

July 22 (Sacramento): In celebration of the 35th anniversary of the Americans with Disabilities Act (ADA), the CalABLE team and staff from the State Treasurer’s Office proudly joined the disability community in a special “Walk & Roll” across Sacramento’s Tower Bridge on July 22nd. The event concluded with a commemorative ceremony at the State Capitol, where CalABLE hosted an informational booth and presented a certificate of recognition on behalf of State Treasurer Fiona Ma. It was a powerful opportunity to stand in solidarity with the disability community and reaffirm California’s commitment to accessibility, equity, and financial empowerment for all.

#HelloSTO

Hospitals Saved. Communities Protected. Thanks to a targeted support initiative launched after AB 112 in 2023, 16 distressed California hospitals were able to keep their doors open — or even re-open — continuing to serve millions of Californians. To watch in full, please click your preferred social media platform below!



Two Years of Impact:
Reviving Hospitals, Restoring Hope

“Hospitals are a lifeline for many California communities. Today, 16 hospitals remain open and operating where only months ago they faced closure or severe service reductions, thanks to the efforts that made this possible.”

--Treasurer Fiona Ma

Follow us!



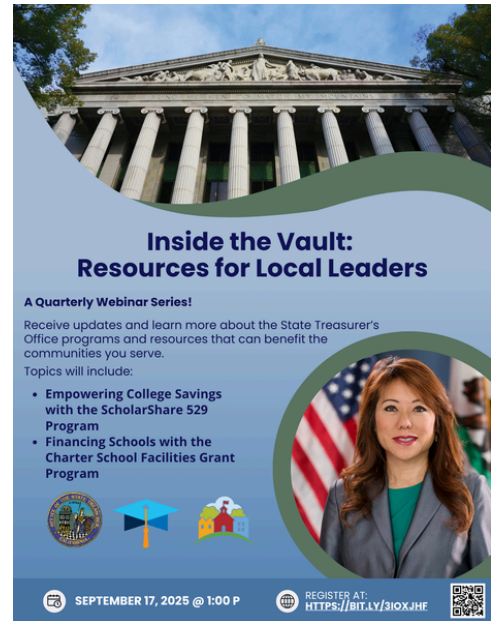
OFFICE BUZZ

Upcoming Events and Opportunities

Inside the Vault: Resources for Local Leaders

Reserve your spot! - September 17, 2025

Attend our upcoming quarterly webinar to hear updates from the State Treasurer's Office and learn more about the ScholarShare 529 Program and the Charter School Facilities Program.



Land-secured Financing September 10-11, 2025

This seminar will deliver comprehensive education on the land-secured financing process from district preformation through project implementation to ongoing administration. [Register today!](#)

Join the State Treasurer's Office Intern Team!

Ready to make a real impact? Build skills, expand your network, and launch your career with the State Treasurer's Office 2025 Fall Internship Program. Gain mentorship and hands-on experience in public service.

[Apply now](#)—applications close August 22, 2025! During their time in the program, interns have the opportunity to work on meaningful projects, receive mentorship, and gain insight into the workings of state government.



[CLICK HERE TO APPLY TODAY](#)

WWW.TREASURER.CA.GOV/CAREERS

IN THE COMMUNITY

Brains, Bots, and Bold Ideas at Under Control Robotics



Pictured above: Under Control Robotics team with Treasurer Fiona Ma and two humanoid robots. (Photo credit: State Treasurer's Office)

June 23 (Sunnyvale): State Treasurer Fiona Ma toured Under Control Robotics (UCR) in Sunnyvale, where she witnessed a live demonstration of California-developed humanoid robots engineered for use in construction, mining, and manufacturing.

UCR, founded by engineers from NASA, Apple, and Caltech, has designed robotics that can navigate rough terrain, handle tools, and lift heavy payloads that are powered by AI systems running on NVIDIA Jetson platforms.

Treasurer Ma met with co-founders Wei Ding, Wenlong Ma, Christopher McQuin, and Wenda Wang, who emphasized the vital role of state support in advancing innovation. Treasurer Ma highlighted how California's robust innovation ecosystems - strengthened by targeted programs - helps accelerate technologies like robotics, which are part of the broader advanced manufacturing sector.

Under Treasurer Ma's leadership, the California Alternative Energy and Advanced Transportation Financing Authority has awarded more than \$343 million in Sales and Use Tax Exclusions for advanced manufacturing projects.

Driving Equity Through Investment at TIDE Spark 2025

July 9 (Dana Point): State Treasurer Fiona Ma had the privilege of joining CalPERS CEO Marcie Frost and CalPERS Board President Theresa Taylor for a dynamic panel discussion at TIDE Spark 2025, hosted by The Investment Diversity Exchange (TIDE). The panel, titled "Stewards of the State: Investing with Purpose in California and Beyond," focused on how public investment can serve as a force for both financial strength and social impact.

Treasurer Ma shared insights on the importance of embedding diversity, equity, and inclusion into California's investment strategies. She spoke about the role of the State Treasurer's Office in advancing inclusive procurement, elevating underrepresented firms, and promoting transparent and responsible financial stewardship.

"California's investment decisions carry weight far beyond financial returns. We have a responsibility to reflect the diversity of our state and to open doors for communities and firms that have been historically left behind."

– State Treasurer Fiona Ma, CPA



Pictured above (left to right): Marcie Frost, CEO, CalPERS; Theresa Taylor, Board President, CalPERS; and State Treasurer Fiona Ma. (Photo Credit: State Treasurer's Office)

IN THE COMMUNITY

The Antelope Valley Takes to the Skies and Beyond

July 2 (Mojave and Palmdale, CA): State Treasurer Fiona Ma had the honor of learning more about the exciting air and space travel innovations happening in the Antelope Valley.

In Mojave, Treasurer Ma toured the Air and Space Port – the epicenter of civilian aircraft development - and met with Stratolaunch Systems. Stratolaunch operates the world’s largest aircraft by wingspan, known as “Roc,” and specializes in air-launch hypersonic flight testing. On March 9, 2024, Stratolaunch marked a major milestone with the successful powered release of a supersonic test vehicle—pushing the boundaries of flight testing and national security capabilities.

In Palmdale, Treasurer Ma toured Lockheed Martin’s Plant 42, Antelope Valley’s second-largest employer and a major player in national defense technology. On June 24, 2025, Lockheed Martin, along with the United States Missile Defense Agency, successfully executed Flight Test Other-26a, demonstrating the ability to distinguish live ballistic threats from decoys, a critical step in advancing missile defense systems.

Supporting these innovations, the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) approved a Sales and Use Tax Exclusion for Lockheed Martin in 2020. This award supported the purchase of up to \$120 million in qualified property to upgrade and expand its Palmdale aerospace manufacturing facility. The project generated an estimated \$20 million in fiscal benefits for California and created more than 2,800 jobs.

Lockheed Martin has also been awarded tax credits through the California Competes Tax Credit Program, which supports businesses that commit to expanding and creating jobs in the state. Treasurer Fiona Ma serves as a member of the California Competes Tax Credit Committee, helping guide strategic investments that strengthen California’s economy.



Pictured above left (left to right): Karen Sanders, Field Representative for Kern County Supervisor Chris Parlier; Drew Mercy, AV EDGE Executive Director; Aaron Cassebeer, Chief Product Officer, Stratolaunch; State Treasurer Fiona Ma; Suzy Ghazarossian, President, AV EDGE Board of Directors; Dr. David “Jester” Smith, CEO, Mojave Air and Space Port; and Richard Chapman, Executive Director, Kern County Economic Development Corporation. *(Photo Credit: Stratolaunch)*

Pictured above right: State Treasurer Ma (center) stands in front of a F-117 – Stealth Fighter with (left to right) Bob Bowman, Facility Engineering Director, Lockheed Martin; Joseph Anh, Lockheed Martin; Keith Pedersen, Vice President, ADP Skunk Works, Lockheed Martin; Suzy Ghazarossian, Board President, AV EDGE; Drew Mercy, Executive Director, AV EDGE; and Mark Cole, Director, Lockheed Martin. *(Photo Credit: Lockheed Martin)*