

MARCH 2023

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

Each March, we celebrate Women's History Month and recognize the achievements of women who have defined and shaped our society. In this month's newsletter, we highlight how the State Treasurer's Office and its programs collaborate with women leaders to make positive changes in our communities.

Starting close to home, I am proud to announce that Kasey O'Connor, executive director of the California Hope, Opportunity, Perseverance, and Empowerment for Children Trust Account Program, was recently recognized by the National Association of State Treasurers for her legislative advocacy in public finance. Kasey is a vital team leader in our office and a tireless advocate for state and federal issues. Please turn to page 4 to learn more about Kasey's achievements.

Next, we connect with Kim Pipkin, the new executive director of the Black Developers Forum as she works to increase affordable housing in California and increase equity in housing development. We also meet Kathy Odell, Marni Brook, and Nicki Parr at Women's Economic Ventures as they help women entrepreneurs and women-owned small businesses access the capital they need to succeed.

Lastly, we'll get a firsthand look at how a loan program for energy-efficient equipment helped Lucy Crocker get a new energy-efficient HVAC system for her public relations firm. Now she can keep her team comfortable in any season without breaking her budget.

I also want to draw your attention to page 3, where you can read an update on the State Small Business Credit Initiative (SSBCI) 2.0. This program provides capital for small businesses that struggle to access traditional funding. As we emerge from the pandemic, SSBCI 2.0 fosters small business development by filling in the gaps in accessible credit and capital investments to small businesses in underserved communities. Expanding opportunities for entrepreneurs not only promotes equity; it leads to job creation and increased wages.

In Peace and Friendship,

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

Fiona Ma, CPA
California State Treasurer

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The State Treasurer's Office and its Boards, Commissions, and Authorities are hiring! Check out our [career opportunities](#).

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 was surprised to receive a form 1099-MISC from the Franchise Tax Board for the Middle Class Tax Refund. Is the Middle Class Tax Refund considered taxable income and do I need to report it on my state and federal tax returns?

Sincerely,
Gabbie

Dear Gabbie,

The Franchise Tax Board (FTB) mailed 1099-MISC forms to Middle Class Tax Refund (MCTR) recipients who received payments of \$600 or more. However, the FTB and the Internal Revenue Service issued guidance stating that the MCTR payment is not taxable for state and federal income tax purposes. You do not need to claim the payment as income on your tax returns.

Individuals who received a 1099-MISC, but did not receive a payment should contact FTB's MCTR line at 1-800-542-9332. To reach a live representative, follow the following prompts:

- Press 1 for English (or 2 for Spanish)
- Press 2 for "1099 questions"
- Press 9 for "all other questions" and when prompted, say "Speak with representative"

For more information regarding the MCTR, please visit <https://www.ftb.ca.gov/about-ftb/newsroom/middle-class-tax-refund/index.html>.

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"

State Treasurer's Office Advances Women and Women-Owned Businesses

Helping Women-Owned Businesses Thrive in California



The California Pollution Control Financing Authority (CPCFA) has incentivized the investment of private capital in small businesses, including those that are woman-owned, since 1994 via the [California Capital Access Program](#), or CalCAP. In 2022, 420 loans enrolled in CalCAP programs were made to small businesses owned by women.

To further benefit small businesses, CPCFA has partnered with the California Infrastructure and Economic Development Bank (IBank) to bring State Small Business Credit Initiative (SSBCI 2.0) funds to California, via programs including [CalCAP for Small Business and CalCAP Collateral Support](#). SSBCI 2.0 is funded by a [10-year \\$1.18 billion award from the United States Department of the Treasury](#). It is designed to ensure that historically underserved groups have access to capital, including socially and economically disadvantaged individuals (SEDI) and very small businesses characterized as having 10 or fewer employees.

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With \$1 billion behind the State Small Business Credit Initiative 2.0 from CPCFA and IBank, we are growing California's small businesses, strengthening our economy, and creating entrepreneurship opportunities for communities that have historically been denied access to capital.

— State Treasurer Fiona Ma

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CalCAP programs are implemented through partnerships with financial institutions, and CPCFA is excited to share that this year, [Women's Economic Ventures](#) (WEV) is joining CalCAP. WEV is a community development financial institution that provides small business consulting services and classes, as well as funding. In 2021, 79% of their clients identified as women, 52% were people of color, and 64% were low income.

Founded in 1991, WEV is dedicated to the economic empowerment of women – supporting women in becoming financially self-sufficient through entrepreneurship. Today, WEV is led by a team of women, including Chief Executive Officer Kathy Odell, Director of Funding Marni Brook, and Chief Operating Officer Nicki Parr. Parr joined WEV after the Thomas Fire and Montecito Debris Flow, applying her decades of experience in finance and operational management in the corporate world to business recovery. She is passionate about WEV's role in transformation within the communities of the Central Coast.

KATHY ODELL

WEV Chief
Executive Officer
(Photo credit: WEV)



NICKI PARR

WEV Chief
Operating Officer
(Photo credit: WEV)



MARNI BROOK

WEV Director of
Funding
(Photo credit: WEV)



Women entrepreneurs face unique challenges when starting businesses, from lack of capital to difficulty finding and building a support network. WEV helps female small business owners overcome these challenges by providing education and resources. Parr notes the backstop provided by the CalCAP programs will allow WEV to invest more of its capital in loans to address the systemic barriers faced by many in their primary audience of women and members of SEDI communities.


— “

When we are engaged in work that is purposeful and meaningful, our lives are transformed; WEV is that touchstone for transformation in our community.

— Nicki Parr, Chief Operating Officer, WEV

” —

RECENT SSBCI NEWS

- **Three initial loans totaling \$4.1 million** were recently offered by California lenders under SSBCI 2.0. Read this [news release](#) to learn more. 
- **CPCFA and IBank recently hosted a webinar** in February 2023 to provide financial institutions with information on how they can expand their lending to small businesses through SSBCI 2.0. View the recorded webinar [here](#). 

State Treasurer's Office Advances Women and Women-Owned Businesses

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SPOTLIGHT

Last month, Kasey O'Connor, executive director of the California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Trust Account Program, was awarded the 2022 Chris Allen Memorial Award for Outstanding Advocacy in Public Finance from the National Association of State Treasurers (NAST). This award recognizes a public servant of a state treasury, NAST member agency, or congressional staffer who demonstrated outstanding service in advocating for or advancing NAST priorities over the prior year.



KASEY O'CONNOR

Executive Director

CA HOPE, OPPORTUNITY, PERSEVERANCE, AND EMPOWERMENT (HOPE) FOR CHILDREN TRUST ACCOUNT PROGRAM

"Kasey is a leader in the office and a tireless advocate for some of the most important state and federal issues. Her work in California to establish the HOPE program and to expand programs offered through the California Alternative Energy and Advanced Transportation Financing Authority are just two examples of her important work."

– State Treasurer Fiona Ma

To learn more about Kasey and her accomplishments, check out this [news release](#).



Pictured above (left to right): South Dakota Treasurer and NAST President Josh Haeder; State Treasurer Fiona Ma; HOPE for Children Program Executive Director Kasey O'Connor; fellow award recipient Elizabeth Fontaine, Assistant Executive Director, Massachusetts Educational Financing Authority; fellow award recipient Leslie Crudele, Government Affairs Director, Virginia529; Massachusetts State Treasurer Deb Goldberg; and Nevada State Treasurer and Chair of the NAST Legislative Committee Zach Conine. (Photo Credit: Executive Office, State Treasurer's Office)

(WEV continued)

Small businesses in Santa Barbara County or Ventura County can contact WEV for services, available in [English](#) and [Español](#). A small business owner anywhere in California seeking information on what to expect when applying for capital, and how to prepare, can obtain [information from the California Office of the Small Business Advocate](#). Information on participation for financial institutions can be found on [CPCFA's SSBCI 2.0 webpage](#).

Black Developers Forum Welcomes Kim Pipkin as Executive Director

Last year, Treasurer Ma joined the Black Developers Forum (BDF) in celebration of its first year as a California-based nonprofit advocacy organization committed to eradicating systemic inequities in the affordable housing industry. Today, Treasurer Ma is proud to see that Kim Pipkin has been appointed as the new Executive Director of BDF. Pipkin's new position requires her to use everything she learned in the last two decades working in and around major project development to accomplish her ever-growing list of goals. As the new Executive Director of BDF, Pipkin not only wants to bring more affordable housing to more communities across California, but the complimentary development projects that build successful communities as well.

KIM PIPKIN

Executive Director

BLACK DEVELOPER'S FORUM

(Photo credit: LinkedIn)



— “

I want BDF to represent and steward Black developers who want to do good work.

– Kim Pipkin, Executive Director of the Black Developers Forum.

” —

Pipkin has spent her career in and around architecture and development. She knows that two committees inside the State Treasurer's Office, both of which are chaired by Treasurer Ma, are vital to the work being done in affordable housing – the California Tax Credit Allocation Committee (CTCAC) and the California Debt Limit Allocation Committee (CDLAC). Pipkin worked on and with projects that required CTCAC and CDLAC funding in the past and knows that to tackle the housing challenges facing the state, we need multiple organizations working together to build more housing. But she plans to focus on more than just housing.



State Treasurer's Office Advances Women and Women-Owned Businesses

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"I want us to think and act locally, because that's who I am, I act locally," Pipkin said. "I want BDF to be an organization that amplifies the efforts of all Black developers, not just the ones building affordable housing. Our goal should be to support all developers, inclusive of those who bring cultural, commercial and higher education development to communities. We need to build affordable housing but also the other things people need to live and thrive like schools, churches, grocery stores and community centers."

Pipkin has worked for architects and contractors who have created some of the most highly regarded cultural buildings in California and she has launched marketing and communication platforms for some of the biggest developers in the state. She stays grounded by volunteering her time with nonprofits and organizations that support youth in her area, so they can envision and work toward their own successful future. She says she is going to do the same thing with BDF. It's her calling to envision and work toward the organization's successful future too.

"I want BDF to represent and steward Black developers who want to do good work," Pipkin said. "I'm a futurist and I'm laying the groundwork now for the future. We must implement strategically and carefully to achieve the goals that help our communities."

Treasurer Ma looks forward to a continued collaboration between the State Treasurer's Office and BDF to not only create and foster equity in affordable housing development, but to build sustainable communities throughout the state as well.

GoGreen Business Helps Woman-Owned, Sacramento-Based Public Relations Firm Finance Upgrades to an Outdated HVAC System

Lucy Crocker is the sole owner of the woman-owned, Sacramento-based public relations firm, Lucy & Company. She started her business in 1995 with a used computer and a \$2,500 loan. Four years later, with business booming, she bought a rundown 2,300-square-foot commercial building in Sacramento's Midtown district and refurbished it. For the next 20 years, it hosted Lucy & Company and a few tenants, comfortably for the most part. The HVAC was a little noisy, but not too bad. And then one day, in the middle of winter, the air conditioning came on and wouldn't go off. The tenants put on their ski jackets, and Crocker started planning an HVAC replacement.



LUCY CROCKER

President

LUCY & COMPANY

(Photo credit: lucycompanypr.com)

Through GoGreen Business Energy Financing, an energy efficiency financing program housed in the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), Crocker was able to finance a new energy-efficient HVAC system for a price she could afford. Finance companies that participate in GoGreen Business offer benefits like lower interest rates, but thanks to a special promotion offered by the program, the interest on Crocker's finance agreement was reduced even further – making Crocker's monthly payments more affordable. The efficiency of the new HVAC system, and the lower cost of financing it, resulted in reduced energy bills – a benefit her tenants can enjoy as well.

"Now I can use it for a little marketing tool for my tenants, because they're the ones paying the energy bill," says Crocker, adding that it's a relief to have a reliable new system. "And I don't have to worry about anything for years. It's peace of mind."

GoGreen Business will launch another promotion this spring to reduce interest rates for customers, like the one Crocker used. For more information, visit www.gogreenfinancing.com/smallbusiness or email gogreen@treasurer.ca.gov.



Lucy Crocker, Founder of Lucy & Company, with her trusted coworker Moose. GoGreen Business helped Crocker make needed improvements to her office building.
(Photo Credit: Lucy Crocker)

In the Community

February 7 – State Treasurer Fiona Ma spent the day in Humboldt County for a town hall with the Humboldt County Office of Education (HCOE) promoting the CaKIDS program. The Treasurer visited the County Board of Supervisors and was interviewed by Redwood News, sharing information on State Treasurer's Office programs and resources that can benefit residents. She also met with the Humboldt County Farm Bureau prior to the town hall. Treasurer Ma shared that through the CaKIDS program, there is at least \$4.8 million of free money available for Humboldt County school-age students to use on higher education costs.

"Humboldt County students and families are grateful to Treasurer Ma for her support and advocacy for the CaKIDS program. California students' opportunities to save for college have just received a significant boost thanks to Treasurer Ma and her team."

– Superintendent Michael Davies-Hughes, HCOE



Pictured from left to right: Noah Lightman, Program Manager, CaKIDS; Seth Doulton; Treasurer Fiona Ma; Superintendent Michael Davies-Hughes, HCOE; Natalie Carrigan, HCOE staff; and Rachell Owen-Reinwald, Outreach Specialist, CaKIDS.
(Photo Credit: External Affairs Division, State Treasurer's Office)

February 15 – State Treasurer Fiona Ma provided the keynote address at the CALSTART 2023 Policy Summit. CALSTART is a national nonprofit organization charged with advancing clean transportation technology. Treasurer Ma spoke about the State Treasurer's Office programs supporting Zero Emission Vehicles in the clean transportation industry. She addressed a room full of clean transportation businesses, innovators, researchers, and officials about the need to work closely together to develop clean-energy solutions. Treasurer Ma emphasized the need for cutting-edge innovative technology companies to engage with legislators early in their development process, so that innovation is collaborative and supported by informed government officials.



Treasurer Ma speaks at the CALSTART 2023 Policy Summit.
(Photo Credit: CALSTART)

February 15 – State Treasurer Fiona Ma provided the keynote address at the California Association of Port Authorities' (CAPA) Annual Ports Day in Sacramento. Treasurer Ma thanked CAPA for the ports' immense contributions to the state's economy and encouraged its members to actively engage with lawmakers to craft solutions and develop legislation to provide a business-friendly climate in the Golden State. California is home to three of the nation's 10 largest ports, Oakland, Los Angeles, and Long Beach, and the state's ports process about 40% of all containerized imports and 30% of all exports in the United States.



Pictured from left to right: Elaine Forbes, Executive Director, Port of San Francisco; Danny Wan, Executive Director, Port of Oakland; State Treasurer Fiona Ma; Bonnie Lowenthal, Secretary to Harbor Commissioners, Port of Long Beach; Sharon Weissman, Harbor Commission President, Port of Long Beach; Jason Hodge, Commissioner, Port of Hueneme; Kristin Decas, Executive Director, Port of Hueneme.

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

February 18 – State Treasurer Fiona Ma participated in the Cloverdale Citrus Fair parade in Sonoma County and greeted a record number of attendees. The Cloverdale Citrus Fair began in 1892 as a way to celebrate the citrus crop, which was once abundant in the northern Sonoma County landscape. Since then, the annual fair welcomes the entire community to enjoy the fun and festivities over four days, featuring a day for seniors, families, and children. Attendees enjoyed the Orange Surprise Dessert Contest, various comedy shows, orange juicing competitions, animal showings, musical performances, and more.

"The Cloverdale Citrus Fair deeply appreciates Treasurer Ma and all the support she has given to the California Fair system. Fairs are the hearts of our communities...Fairs are the place our people turn to; and the Treasurer is where the Fairs can turn to. We have a beautiful partnership for California's future with Treasurer Ma."

– Thomas Keaney, CEO, Cloverdale Citrus Fair



Pictured from left to right: Cloverdale Mayor Todd Lands, Treasurer Fiona Ma, Cloverdale Vice Mayor Gus Wolter.
(Photo Credit: External Affairs Division, State Treasurer's Office)

In the Community

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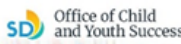
ASIAN AMERICAN PACIFIC ISLANDER TRIBUTE

"Lunar New Year is a time when Asian Americans gather with their families and communities to celebrate renewal and hope for the future. This year, lives were shattered by violence in Monterey Park and Half Moon Bay, sending shockwaves through AAPI communities across the state and nation. These tragedies are a reminder that our community is resilient and unwavering, and that we must all do more to ensure AAPI communities are safe from violence and hate. This year of the Rabbit, I wish all Californians peace, prosperity, and a renewed commitment to building a stronger state for all."

Treasurer Fiona Ma



Upcoming Events

San Diego County Office of Education presents
CalKIDS Town Hall


Get Free Money For College!



CalKIDS gives your child a real chance for a bright future. With free money for college!

CalKIDS is a new program from the State of California that provides up to \$1,500 in free money for college to eligible public school students. CalKIDS can help families boost their children's college savings and increase access to higher education.

- **Jump-start college & career savings**
CalKIDS is a new program from the State of California providing a head start on savings for college and career. Learn more at CalKIDS.org.
- **Newborns receive up to \$100**
All children born after July 1, 2022, are automatically enrolled.
- **Students receive up to \$1,500**
Students identified as low-income, foster youth, and experiencing homelessness receive additional funds.


To learn more and find out if your child qualifies, visit CalKIDS.org today!





FEATURED SPEAKER


Fiona Ma, CPA
California State Treasurer

 **March 15, 4:30-6:30 p.m.**
San Diego County Office of Education
6401 Linda Vista Road
San Diego, CA 92111

 **April 20, 4:30-6:30 p.m.**
North County Education Center
255 Pico Ave.
San Marcos, CA 92069

Register:

 sdcoe.k12oms.org/865-229801

 **LaShae Sharp-Collins**
lashae.collins@sdcoe.net
858-295-8773



CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

MUNICIPAL DISCLOSURE | MARCH 28-29, 2023
LAKE NATOMA INN | FOLSOM, CALIFORNIA

This seminar seeks to assist public agency officials and other market professionals to improve their understanding of the policy and regulatory environment surrounding municipal disclosure and how that environment may change in the future.

[Public Sector Registration](#) | [Private Sector Registration](#) | [Agenda](#)

Participants may choose to attend either one or both days according to their educational needs. For more information, including seminar materials and recommended readings, please visit <https://www.treasurer.ca.gov/cdiac/seminars/2023/20230328/index.asp>.

If you have questions about this seminar, please contact CDIAC at: CDIACEducation@treasurer.ca.gov.