

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

As we enter the month of November, we pause to honor and express our deepest gratitude to the brave men and women who have served in the United States Armed Forces. Veterans Day is a time to reflect on the sacrifices made in service to our country, and to reaffirm our commitment to supporting veterans and their families in meaningful, lasting ways.

In this month's newsletter, we're proud to highlight how the State Treasurer's Office is working to serve California's veterans through programs that promote financial security, homeownership, and economic opportunity. On page 3, learn how [CalABLE](#) empowers veterans with disabilities to save for the future without losing access to essential benefits, and how [CalVet Home Loans](#) continues to make homeownership more accessible for those who served.

We're also excited to share information on the new military retirement pay tax exemption on page 3, which exempts military retirement income from state taxes. This change is a major step forward in honoring the service of our retired military personnel and making California a more welcoming place for veterans to live and thrive.

You'll also find a recap of the *California Creates: Golden State Manufacturing Forum*, where we brought together leaders from across the state to discuss the future of manufacturing in California. Turn to page 4 to read more about this exciting event.

And finally, on page 5, we wrap up with an overview of our fall bond sales, which continue to support critical infrastructure and public services across the state.

To all veterans and their families: thank you for your service, your sacrifice, and your continued contributions to our communities.

In Peace and Friendship,

Fiona Ma, CPA
California State Treasurer

Table of Contents

- p.1 Welcome Letter**
- p.2 Ask Fiona**
- p.3 Supporting our Veterans**
- p.4 Manufacturing Forum Recap**
- p.6 Fall Bond Sales**
- p.7 Office Buzz**
- p.8 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,

I heard that the U.S. Treasurer is discontinuing the penny. Is the penny really going away? What does this mean for Californians?

Sincerely,

Matthew

Dear Matthew,

Yes, it's true. The U.S. Treasury Department has decided to stop producing new pennies, which may occur as soon as early 2026. Understandably, many Californians have reached out with questions about what this means for everyday transactions.

First, rest assured, pennies already in circulation remain legal tender and can still be used for all cash transactions. Banks and businesses should continue to accept and process them as usual. Over time, however, you may begin to see fewer pennies in circulation.

My office has been in close contact with our banking and government partners to ensure a smooth transition and continuity in cash-handling operations.

We will continue to monitor federal guidance from the U.S. Treasury and U.S. Mint and share updates as they become available. Our goal is to make sure consumers and financial institutions across the state experience a seamless transition.

So, while the penny may be on its way out of production, it's not disappearing from your wallet just yet!

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

Honoring Veterans: Building Pathways to Financial Stability and Homeownership

This November, as we honor Veterans Day, the State Treasurer's Office recognizes the service and sacrifice of California's veterans—and reaffirms our commitment to supporting their financial well-being and long-term stability.

Through programs like the [CalVet Home Loan Program](#), funded in part by the sale of General Obligation Bonds, veterans can access affordable financing to achieve the dream of homeownership. These bond sales, managed by the State Treasurer's Office, have helped thousands of veterans and their families put down roots and build equity in their futures.



State Treasurer Ma visits the Veterans Home of Yountville. (Photo credit: State Treasurer's Office)

[CalABLE](#), a savings and investment program housed in the State Treasurer's Office, empowers people with disabilities to save for the future without jeopardizing critical benefits. Starting in 2026, individuals who acquired a disability later in life now benefit from an expanded age adjustment, extending CalABLE eligibility to those whose disability began before age 46 (up from age 26). This change is especially meaningful for veterans, many of whom acquire disabilities later in life. More veterans with a disability will now be able to take advantage of the program to build financial security and independence.

Our veterans have given so much in service to our nation. This Veterans Day, we are proud to stand with them by providing pathways to homeownership, savings, and financial opportunity—tools that help honor their sacrifice with lasting stability and peace of mind.

NEW TAX EXEMPTION FOR MILITARY RETIREES

California Exempts up to \$20,000 in Military Retirement Benefits

In a major win for California's military families, the State has enacted a new tax exemption that allows retired veterans and their surviving spouses to deduct up to \$20,000 annually from their California taxable income, beginning in the 2025 tax year.

This exemption was made possible through Assembly Bill 53 (Ramos) co-sponsored by State Treasurer Fiona Ma as part of the enacted state budget, reflecting a strong commitment to honoring the service and sacrifice of veterans and their families.

California is home to one of the largest veteran populations in the country. Many retired service members and their families face high living costs on a fixed income. This exemption provides meaningful financial relief and reinforces the state's dedication to supporting those who have served.

What the Exemption Covers:

Eligible individuals may exclude up to \$20,000 per year from their state taxable income. The exemption applies to Military retirement pay from federal service and Survivor Annuity Payments under the Department of Defense Survivor Benefit Plan.

Who Qualifies:

California residents with an annual income of \$125,000 or less (or \$250 or less for joint filers) who are either a retired veteran receiving military retirement pay or a surviving spouse of a deceased veteran who was receiving or eligible for retirement pay.

Veterans and surviving spouses are encouraged to consult with a tax professional or visit the [Franchise Tax Board's website](#) for updates on how to claim the exemption.

Check out Treasurer Ma's video message announcing the new tax exemption on [YouTube](#).

CALIFORNIA CREATES RECAP

California Creates: Golden State Manufacturing Forum Showcases Innovation, Equity, and Economic Growth

California, now the fourth largest economy in the world, continues to lead the nation in manufacturing, innovation, and sustainable industry. That leadership was on full display at the *California Creates: Golden State Manufacturing Forum*, hosted by the State Treasurer's Office, through its [California Alternative Energy and Advanced Transportation Finance Authority](#), at California State University, Los Angeles on October 29th.

The forum brought together a powerful cross-section of manufacturers, investors, state leaders, financial experts, and community stakeholders to explore how California can continue to grow its manufacturing sector through strategic investment, public-private collaboration, and innovative financing tools. The event served as a platform to elevate the voices of entrepreneurs, highlight successful partnerships, and showcase the programs that are helping businesses thrive in the Golden State.

Throughout the day, attendees participated in panel discussions, networking sessions, and live demonstrations that highlighted the tools and resources available to support manufacturers—especially those focused on clean energy, sustainability, and equitable economic development.



Pictured above: State Treasurer Fiona Ma (far right) discusses economics and tariffs with (l to r) Tim Jemal, CEO, California Supply Chain Federation; Dr. Hanna Gabriel, Professor of Economics, CSU Sacramento; and Dr. Kathryn Russ, Professor of Economics, UC Davis (Photo Credit: State Treasurer's Office)

Voices from the Forum: What Leaders Are Saying



Dr. Tara Lynn Gray, former Director of CalOSBA, emphasized the importance of leveraging state resources and building strong support network:

"To small business owners, I say don't go it alone. There's a trusted advisor, there's access to capital programs, the state is here to support you through creative programming, access to capital, procurement opportunities—you name it, it's here."

Sterling Steffan, co-founder of Trademark Brewing, shared how state incentives helped his company invest in sustainability:



"We have the unique notoriety of being one of the very few sustainable craft breweries of our scale. Because of the sales tax exemption program, we were able to buy the \$500,000 machine instead of the \$150,000 machine. This was part of our initial investment in the sustainability factor of our business. We would not have been able to do this without the sales tax exclusion program."



Marques McCammon, President of Karma Automotive, emphasized why California is the ideal home for innovation:

"California is the hub of innovation, not just here in the United States, but the whole world over. People know California is where tech innovation happens, where dreams come to be reality, and where imagination takes flight. So, this is the right place for a company like this to be born and to live."

CALIFORNIA CREATES RECAP

CONT'D

California Creates: Golden State Manufacturing Forum Showcases Innovation, Equity, and Economic Growth

The day included robust panel discussions covering key areas, including:

- **Access to Capital:** Agency experts shared strategies and tools to secure funding to start, expand, and modernize operations.
- **Financing Tools & Incentives:** Attendees received in-depth education on programs like the [Sales and Use Tax Exclusion](#) (STE) Program, which helps manufacturers reduce costs on equipment purchases. Experts also shared insights on state and federal incentives available to support clean and advanced manufacturing.
- **Real-World Case Studies:** Manufacturers shared success stories and challenges, offering practical guidance on how to access capital, scale operations, and navigate California's regulatory landscape.
- **Public-Private Collaboration:** The forum facilitated meaningful connections between manufacturers, lenders, and policymakers to strengthen California's manufacturing ecosystem.
- **Tariffs:** Economists discussed the economic impact of tariffs on manufacturers and supply chains.



Pictured above: (l to r): Marques McCammon, President, Karma Automotive; State Treasurer Fiona Ma; State Senator McNerney; and State Senator Grayson view two of Karma's luxury electric vehicles—showcased as part of the forum's spotlight on California's leadership in clean technology and sustainable manufacturing (Photo Credit: State Treasurer's Office)

The forum concluded with a presentation from Karma Motors, a Southern California-based electric vehicle manufacturer that has built a comprehensive and sustainable manufacturing ecosystem. Karma even brought several of their electric vehicles, which were proudly displayed on the Cal State L.A. quad, drawing attention from students, faculty, and attendees alike.

The California Creates Forum was more than just a one-day event—it was a call to action. As California continues to lead in clean energy, advanced manufacturing, and equitable economic development, forums like this play a critical role in connecting the dots between policy, innovation, and people. The conversations sparked at the forum are paving the way for a new era of manufacturing in California—one that champions innovation, embraces sustainability, and ensures that progress reaches every corner of the state.

"California's manufacturing sector is not only a driver of jobs and innovation—it's a cornerstone of our economic future. This forum is about making sure our manufacturers have the tools, capital, and support they need to thrive in a competitive global economy."

— State Treasurer Fiona Ma, CPA

FALL BOND SALES

State Treasurer Wraps Up Fall Bond Sales: Supporting Veterans, Housing, Schools, and Public Infrastructure

Over the past few months, the California State Treasurer's Office (STO) successfully completed a series of bond sales, raising funds to support veterans, housing, schools, public infrastructure, and critical state programs. These transactions reflect California's ongoing commitment to investing in the state's communities while maintaining fiscal responsibility and strong credit ratings.

Highlights of the Fall Bond Sales:

General Obligation (GO) Bonds - \$3.4 billion

The STO completed two General Obligation Bond sales totaling \$3.4 billion. In a milestone for the state, the first GO bonds were issued under Proposition 2 - the Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair and Safety Bond Act of 2024 - which will provide funding to build or renovate public school and community-college facilities. In addition to Proposition 2, the bond sales also provided funding for Proposition 1 – the Behavioral Health Infrastructure Bond Act of 2024, which expands behavioral health infrastructure and treatment resources statewide. Other uses of the GO bond proceeds included paying down commercial paper notes and refinancing outstanding bonds, which will save taxpayers \$182 million in debt service costs over the next 20 years.



Since Treasurer Fiona Ma took office in 2019, the STO has sold almost \$25 billion of refunding GO bonds that will save taxpayers \$7.1 billion in debt service costs over the remaining life of the bonds.

CalVet GO Bonds - \$97.7 million

The STO issued bonds to support the [CalVet Home Loan Program](#), which helps California veterans access affordable financing for homeownership. These bonds provide critical pathways for veterans to build equity, stability, and long-term financial security.

California State Public Works Board (SPWB) Bonds - \$642.5 million

The [SPWB](#) issues bonds to fund capital outlay projects for the state. This fall's SPWB sale funded a state office building in downtown Sacramento, a replacement residential center for the California Conservation Corps in Mendocino County, and local jail projects in Napa County, Placer County, and Yuba County.

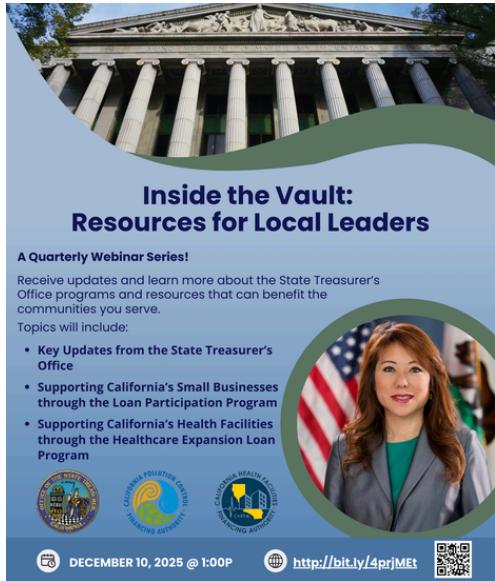
Through these bond issuances, the STO raised billions of dollars at attractive financing costs, demonstrating strong investor confidence in California's credit and fiscal management. By strategically leveraging the bond market, the state is able to finance vital programs, while protecting taxpayers and maintaining budget stability.

"From veterans' housing to public works and Proposition 1 and 2 projects, these bond sales are about investing in California's future. We are proud to deliver funding that strengthens communities, supports essential services, and helps residents achieve financial security."

— State Treasurer Fiona Ma, CPA

OFFICE BUZZ

Don't Miss Our Upcoming Webinar



Inside the Vault: Resources for Local Leaders

Reserve your spot! - December 10, 2025

Attend our upcoming quarterly webinar to hear updates from the State Treasurer's Office and learn more about CPCFA's new Loan Participation Program and CHFFA's Healthcare Expansion Loan Program.



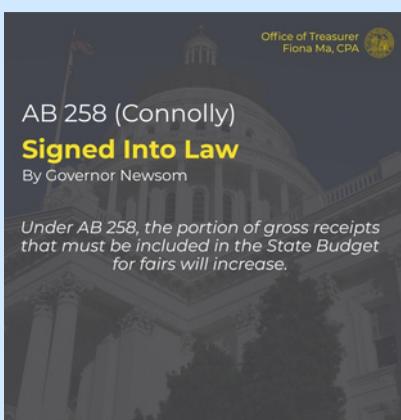
Join the State Treasurer's Office Intern Team!

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

[Apply now!](#) 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.



#HelloSTO



We're pleased to share that the California State Treasurer's Office cosponsored bill AB 258 (Connolly) has been signed by Governor Newsom.

AB 258 increases future funding for fairs to improve operation and emergency response. Many thanks to Assemblymember Damon Connolly and California Fairs Alliance for leading this effort to support community fairs.

Follow us!



[CLICK HERE TO APPLY TODAY](#)

WWW.TREASURER.CA.GOV/CAREERS

IN THE COMMUNITY

Treasurer Ma Engages with Rural Innovators at Sierra Commons Symposium



Pictured above: (l to r): Robert Trent, Founder and Executive Director, Sierra Commons; Jonathan Collier, community organizer and housing advocate; State Treasurer Fiona Ma; Tim Van Wagner, Co-owner, First Rain Land Stewardship Services; Kristin York, Vice President, Sierra Business Council; and Travis Duckworth, Founder, SolTiny. (Photo Credit: State Treasurer's Office)

October 13 (Nevada City): State Treasurer Fiona Ma delivered the keynote address and participated in a panel discussion at the Resilience Through Rural Entrepreneurship: A Gathering for ChangeMakers and CrossPollinators, hosted by Sierra Commons. The event brought together local entrepreneurs, community leaders, and policy partners to explore collaborative strategies for rural economic development, climate resilience, and inclusive growth.

Treasurer Ma spoke on the essential role that rural communities play in shaping California's economic future, emphasizing the importance of cross-sector collaboration in supporting local businesses, preserving natural resources, and expanding access to affordable housing and workforce training.

Treasurer Ma Joins the I AM ABLE Disability Job Fair

October 14 (Sacramento): State Treasurer Fiona Ma participated in PRIDE Industries' 3rd annual I AM ABLE Disability Job Fair at the SAFE Credit Union Convention Center in Sacramento, an event designed to connect individuals with disabilities to inclusive employers and community resources. The event welcomed nearly 2,000 attendees, with over 900 people pre-registering, and featured more than 40 employers committed to hiring workers of all abilities.

Treasurer Ma and representatives from CalABLE were on-site to help attendees learn about saving for the future, while protecting eligibility for public benefits. CalABLE accounts are a valuable financial tool for people with disabilities, allowing them to build financial independence and long-term security.

The fair also included resume clinics, breakout sessions, interview prep, and informational booths from supportive agencies like the Department of Rehabilitation—creating a comprehensive, empowering experience for job seekers.



Pictured above: State Treasurer Fiona Ma, along with PRIDE Industries' leadership and CalABLE Executive Director Thomas Martin, cut the ribbon to officially open the doors to the 3rd annual I AM ABLE Disability Job Fair. (Photo Credit: State Treasurer's Office)

IN THE COMMUNITY

Touring Riverside County

October 16 (Riverside County): State Treasurer Fiona Ma toured critical sites serving residents in Riverside County.

Her first stop was Harmony Haven, a transitional shelter for at-risk foster youth offering therapeutic care and behavioral health services. Many of these youth will be eligible for the [California HOPE for Children Trust Account Program](#), launching next year to support foster children and those who lost a parent or guardian to COVID-19.

Treasurer Ma then visited the Riverside University Health System Medical Center, the county's primary safety net provider. With over \$30 million in grants awarded by the California Health Facilities Financing Authority, RUHS has expanded behavioral health services through programs like the Arlington Recovery Community and Restorative Transformation Center.

The final stop was the Ben Clark Public Safety Training Center, which trains first responders statewide. CalFIRE established its training center there in 2017 in response to California's growing wildfire threats.



Pictured above (l to r): Jose Medina, Riverside County Supervisor; State Treasurer Fiona Ma; Dr. Mike Mesisca, Riverside University Health System; Carolyn Aboubechera, Executive Director, California Health Facilities Financing Authority; and Michelle DeArmond, Director, Riverside University Health System (Photo Credit: State Treasurer's Office)



Pictured left (l to r): Trina Head, Executive Assistant to Assistant Riverside County CEO; Jeff Greene, Executive Office Principal Policy Analyst, Riverside County; Michelle Paradise, Assistant Riverside County CEO; Saykham Lemsisanth, Sheriff Lieutenant, Riverside County; State Treasurer Fiona Ma; and Carolyn Aboubechera, Executive Director, California Health Facilities Financing Authority (Photo Credit: State Treasurer's Office)

Choosing Kindness with Third Street Elementary School



Pictured above (l to r): 3rd Street Elementary Principal Hae Lee, State Treasurer Fiona Ma, and Jocelyn Minton. (Photo Credit: L.A. Unified School District)



Pictured above: State Treasurer Fiona Ma and Los Angeles Unified School District Board Member Nick Melvoine. (Photo Credit: L.A. Unified School District)

October 17 (Los Angeles): State Treasurer Fiona Ma spent the morning at 3rd Street Elementary School, where she witnessed the powerful impact of the Making Caring Common (MCC) program in action. Locally led by Jocelyn Minton, the MCC initiative fosters kindness, empathy, and a positive school culture by helping students build meaningful connections with adults and reducing bullying.

Adding to the excitement, the USC Women's Basketball team and beloved mascot Tommy Trojan joined the visit to help promote the program and inspire students to lead with compassion both on and off the court.