YEAR END REPORT

2024

CALIFORNIA STATE TREASURER'S OFFICE

Letter from the Treasurer

Dear Friends,

As California continues to rise as the world's fourth largest economy, the work of the State Treasurer's Office (STO) has become even more essential. In 2024, we processed nearly $2.9 trillion in transactions, safeguarded and grew public investments, supported the creation of affordable housing, advanced clean infrastructure, strengthened access to education and health care, and helped Californians build long-term financial security.

These accomplishments were made possible by our dedicated staff and the 17 Boards, Commissions, and Authorities (BCA's) under our purview. Together, we strengthened California's fiscal health and expanded opportunity across the state.

The Public Finance Division (PFD) facilitated more than $20.6 billion in bond sales, including $13.3 billion in new project bonds and $7.3 billion in refunding bonds—saving taxpayers over $1 billion in debt service. Our Investment Division, in partnership with the Centralized Treasury and Securities Management Division (CTSMD), ensured all idle funds were invested daily. The Pooled Money Investment Account (PMIA) earned an average yield of 4.5 percent—its highest in more than 15 years—generating $7.5 billion in interest earnings. The Local Agency Investment Fund (LAIF) served more than 2,335 agencies, reaching record-high local government deposits. The California Debt and Investment Advisory Commission (CDIAC) supported public finance professionals through training and updated guidance, while also enhancing transparency with its DebtWatch data portal.

We advanced California's climate and sustainability goals through the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) and the California Pollution Control Financing Authority (CPCFA). These authorities supported manufacturers of clean technologies, expanded energy efficiency financing, and helped small businesses reduce pollution and access capital. Together, they awarded nearly $100 million in clean tech tax exclusions, backed 2,569 loans totaling $221 million—including many to underserved entrepreneurs—and issued $68 million in tax-exempt bonds for environmentally beneficial projects.

Through our Savings Programs for Individuals, we helped more than 1.3 million Californians plan for the future. The California ABLE Act Board (CalABLE) surpassed $170 million in assets, empowering individuals with disabilities to save without jeopardizing essential benefits. The California Kids Investment and Development Savings Program (CalKIDS) created over 4.8 million college scholarship accounts, and ScholarShare 529 celebrated its 25th year with more than $16.4 billion in assets and 454,000 active accounts. CalSavers Retirement Savings Program (CalSavers) reached over 539,000 funded accounts and $1.1 billion in retirement assets. And the Hope, Opportunity, Perseverance, and Empowerment for Children (HOPE) Trust Account Program reached full operational readiness (see page 10) ahead of its 2026 launch, which will provide savings accounts to children in foster care and those who lost a parent or guardian to COVID-19.

In education, the California School Finance Authority (CSFA) supported K–12 and charter schools through more than $230 million in grants, $1.2 million in low-interest loans, and $30 million in new federal funding. Additionally, Proposition 2 provided $600 million to support future charter school facility needs. The California Educational Facilities Authority (CEFA) issued $190 million in bonds for capital projects at private colleges and universities and helped raise nearly $1 million for need-based financial aid through the College Access Tax Credit Fund.

In health, the California Health Facilities Financing Authority (CHFFA) issued $2.4 billion in tax-exempt bonds and $8 million in low-interest loans to nonprofit hospitals and health centers. The Authority also distributed over $164 million in grants to children's hospitals and $20.6 million to counties for critical mental health infrastructure, including youth crisis stabilization units and community-based treatment facilities. These investments expand access to care in rural, underserved, and justice-involved communities—ensuring that healthcare is not a privilege but a promise for every Californian.

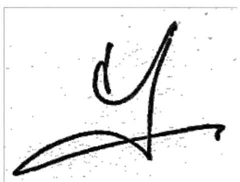
In housing, the California Tax Credit Allocation Committee (CTCAC) and the California Debt Limit Allocation Committee (CDLAC) awarded more than $5.4 billion in tax credits and tax-exempt bonds to finance over 18,000 affordable housing units. These programs were instrumental in advancing equitable housing solutions across the state. In late 2024, CTCAC launched the State Historic Rehabilitation Tax Credit, offering new incentives to repurpose historic structures into affordable housing and community assets. Meanwhile, CDLAC launched a new Online Application Portal for issuers and a secure e-payment system, cutting application times.

This report reflects the commitment of our office to transparency, stewardship, and progress. I am grateful to the dedicated public servants who make this work possible and to our partners across the state who share our vision of an inclusive, sustainable, and financially secure California.

I am honored to serve as your 34th California State Treasurer and look forward to the work ahead in 2025.

As always, if my office can be of service, please don’t hesitate to reach out at newsroom@Treasurer.ca.gov or call (916) 653-2995.

In peace and friendship,



Fiona Ma, CPA

California State Treasurer

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Bonds, Investments, and Cash Management

Public Finance Division (PFD)

The PFD is responsible for selling State of California general obligation bonds and commercial paper notes, revenue anticipation notes, lease revenue bonds, revenue bonds, as well as serving as agent for sale on debt issued for all of the state's agencies and conduit financing authorities. PFD also provides debt administration services for most state bonds and is responsible for the state's investor relations program that provides transparency and accessibility of important financial information for investors and the public.

During 2024, PFD served as agent for sale for $13.3 billion of new money bonds for thousands of projects throughout the state and $7.3 billion of refunding bonds to refinance outstanding bonds, including the following:

- $8.3 billion of general obligation bonds
- $4.8 billion of revenue bonds for the University of California and the California State University systems
- $4.8 billion of conduit revenue bonds for state conduit issuers (CHFFA, CSFA, CPCFA, IBank, CalHFA, Cal-Mortgage)
- $2.0 billion of lease revenue bonds for the State Public Works Board
- $273 million of revenue bonds for the IBank/SWRCB Clean Water State Revolving Fund program
- $250 million of revenue bonds for the California Earthquake Authority
- $230 million of Veterans general obligation bonds and revenue bonds for the Department of Veterans Affairs

The $7.3 billion of refunding bonds will provide $1.0 billion of gross debt service savings over the remaining life of the bonds, or $731 million on a present value basis. These amounts include savings for the state's General Fund of $735 million over the remaining life of the bonds or $553 million on a present value basis.

Investment Division

The Investment Division oversees the Pooled Money Investment Account (PMIA) which includes the Time Deposit Program, while the Local Agency Investment Fund (LAIF) provides local governments with the opportunity to invest temporarily idle funds efficiently, safely and at competitive yields. Through its Time Deposit Program, the PMIA boosted local economies by investing in 55 community-based financial institutions throughout California. By accessing funds through the Time Deposit Program, financial institutions can re-invest in the California communities they serve.

Pooled Money Investment Account (PMIA) / Pooled Money Investment Board (PMIB)

- Exceptional Investment Performance: The PMIA – California's short-term investment pool - earned an average annual yield of 4.5% as of December 31, 2004, the highest in over 15 years. The PMIA also had a daily effective yield that exceeded 4.3% throughout the year while prudently managing the portfolio based upon the objectives of safety, liquidity, and then yield. This strong performance generated approximately $7.5 billion in interest earnings in the calendar year (across state funds and local LAIF monies). The magnitude of these investment earnings provides a significant reduction in the tax burden that otherwise would be imposed on the residents of California.
- Safeguarding Liquidity: Under the PMIB's oversight (with Treasurer Ma as Chair), the PMIA remained highly liquid and ultra-safe throughout 2024. At year-end, the portfolio stood at $155.4 billion with a high concentration of holdings in U.S. Treasury and agency discount notes. The average maturity of the pool was maintained at approximately 252 days to ensure ample liquidity, easily meeting the state's daily cash needs. The PMIB's 68th Annual Report confirmed full compliance with statutory investment policies and noted the PMIA's crucial role in preserving public funds while earning returns.

Local Agency Investment Fund (LAIF)

- Strong Local Government Participation: LAIF continued to be a cornerstone investment vehicle for California's local agencies in 2024, serving over 2,335 agencies that include cities, counties, and special districts. The Local Agency Investment Advisory Board approved expanding eligibility to certain quasi-governmental agencies this year, allowing entities like conservation districts to join LAIF. As a result, local government deposits in LAIF hit a modern-era high (peaking at roughly $21 billion during 2024) as municipalities sought safety amid economic uncertainty.
- Competitive Yields, Low-Cost Service: LAIF delivered robust returns to communities while charging minimal fees. Backed by the PMIA's performance, LAIF's quarterly yields rose from 4.30% in Q1 2024 to approximately 4.62% by Q2 2024, mirroring market rate increases. Importantly, the State Treasurer assured agencies that "your money is safe in LAIF", as the fund maintained strict compliance with investment policies and zero losses. LAIF's blend of safety, liquidity, and improved yield in 2024 affirmed its value to local treasurers managing taxpayer funds.

Central Treasury and Securities Management Division (CTSMD)

The CTSMD oversees all banking operations within the State's Centralized Treasury System. CTSMD is responsible for managing the cash flow and liquidity needs of all state agencies and departments, ensuring that funds are available to meet daily operational requirements. Additionally, the division ensures that all idle funds are identified and works with the Investments Division to ensure those funds are invested on a daily basis, maximizing returns while maintaining the safety and liquidity of the State's assets.

- Substantial cash Management Volume: Managed approximately $2.9 trillion in transactions through the State's Centralized Treasury System over the past year. This included processing thousands of payments, deposits, and transfers for state agencies with 100% accuracy while meeting daily cash flow needs. CTSMD's oversight ensured that all idle State funds were invested daily, maximizing interest earnings for taxpayers in a year of rising interest rates.
- Continued to Secure and Optimize Investments: Ensured that all state deposits in financial institutions were fully collateralized or insured, safeguarding public funds against loss and helping to maintain the safety and liquidity of California's investments amid 2024's volatile markets.

California Debt and Investment Advisory Commission (CDIAC)

CDIAC advances the practice of public finance in California by delivering timely and accurate information, as well as high quality education and guidance, to state and local public agencies, as well as finance professionals. Through its research, training programs, and technical assistance, CDIAC supports transparency, informed decision-making, and the effective management of public funds across the state.

- Training and Outreach: Provided extensive education for public finance officials. In 2024 CDIAC hosted two in-person seminars and three webinars with 814 total attendees, covering topics from municipal bond issuance to investment fundamentals. The Commission also expanded its online Education Portal to over 536 registered users, enhancing access to on-demand training for local agencies.
- Guidance and Transparency: Published updated best-practice guidance to improve local financial management. Notably, CDIAC published its 2025 update of the Local Agency Investment Guidelines, which is widely used by local treasurers to interpret new laws and ensure prudent investing. The Commission also continued to enhance its DebtWatch data portal, making California's public debt issuance data more transparent and accessible to agencies and the public.

Climate and Sustainability

The STO fights climate change and creates sustainability through programs housed in CAEATFA and CPCFA. CAEATFA and CPCFA support green projects with a focus on environmental cleanup, solid waste recycling and collection, air and water quality improvements, water conservation, pollution reduction, energy efficiency, and renewable energy generation.

California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)

CAEATFA administers programs that work collaboratively with public and private partners to fulfill California's climate goals and promote economic development. With the primary focus on alternative energy, energy efficiency, advanced transportation, and recycling to reduce air pollution, conserve energy, and create jobs.

CAEATFA accomplishes this by targeting support in two ways “upstream” at the manufacturing level through its Sales & Use Tax Exclusion (STE) program for manufacturers in the advanced manufacturing, advanced transportation, alternative source, and recycling manufacturing sectors and “downstream” through its GoGreen Financing program: A residential, business, and multifamily building credit support program for customers seeking to upgrade the energy efficiency of their home or place of work.

- Clean Technologies: In 2024 alone, CAEATFA awarded approximately $100 million in STE to support manufacturers of clean technologies. This included nearly $1.3 billion in cumulative STE awards since program inception, spurring private investment in clean tech projects statewide.
- Green Lending Expansion: Secured $30 million from the California Energy Commission to expand the GoGreen Energy Financing programs. These funds bolster CAEATFA’s residential energy-efficiency credit support programs, enabling thousands of homeowners to upgrade equipment, reduce energy costs, and cut carbon emissions.

California Pollution Control Financing Authority (CPCFA)

The CPCFA administers various programs designed to incentivize capital investment, support climate-friendly initiatives, and increase access to capital for underserved groups. Originally focused on pollution control, CPCFA has expanded to promote a broad range of economic activities, particularly those aligning with state and federal climate goals.

The CPCFA’s California Capital Access Programs (CalCAP) provide credit enhancements to participating financial institutions for qualifying loans which they make to small businesses. CalCAP’s independent contributor provision allows other agencies to identify goals which can be accomplished by the agency providing funding and CPCFA providing the CalCAP mechanism and administration, such as the CalCAP Electric Vehicle Heavy-Duty Vehicle and Infrastructure programs funded by the California Air Resources Board, the California Energy Commission, and Southern California Edison.

- Small Business Support: Through its CalCAP programs, CPCFA enabled 2,569 small business loans totaling $221 million in 2024. This included robust use of new SSBCI 2.0 funds – over 2,494 loans (worth $172 million) went to very small businesses under the revamped Collateral Support and Small Business Program, and 1,235 loans ($74 million) were made to enterprises owned by socially and economically disadvantaged individuals. These credit enhancements expanded capital access for mom-and-pop shops, trucking companies upgrading to cleaner vehicles, and other underserved entrepreneurs statewide.
- Tax-Exempt Bonds and Investments: Served as the conduit issuer for $68 million in tax-exempt bonds in 2024 to finance environmentally beneficial projects such as recycling and solid waste disposal facilities and clean wastewater infrastructure. This brings total bonds issued through CPCFA’s bond program to $17.388 billion since its inception. Over

the lifetime of the tax-exempt bond program, eligible projects have been assisted by CPCFA's Small Business Assistance Fund, which has awarded over $22.8 million to reduce borrowing costs for qualifying small businesses. These efforts in 2024 continued CPCFA's legacy of leveraging capital markets to achieve California's recycling, solid waste disposal, pollution reduction and sustainability goals.

Financial Wellness

The Savings Programs for Individuals (SP4I) represent a suite of initiatives under the STO designed to enhance individual financial empowerment and security across diverse populations. These programs are pivotal in enabling Californians to manage and plan their financial futures – from cradle to security – through education, retirement, and support for individuals with disabilities. Currently, SP4I administers over $17 billion in investments, benefiting more than 1.3 million Californians.

ScholarShare 529

ScholarShare 529 is California's official college savings plan, established to help families save for the future higher education expenses of their beneficiaries. This tax-advantaged plan, overseen by the ScholarShare Investment Board (SIB), is designed to cover a range of educational costs, not just tuition but also books, supplies, and certain room and board expenses. ScholarShare 529, which celebrated 25 years in 2024, offers a variety of low-cost investment options tailored to different savings goals and timelines. It provides significant tax advantages, such as tax-deferred growth and tax-free withdrawals for qualified education expenses. Additionally, there are no income limitations or age restrictions, making it accessible to a wide range of families.

- Record Growth in College Savings: ScholarShare 529 hit all-time highs in 2024, with total assets under management exceeding $16.4 billion across more than 454,000 accounts and record contributions by families, topping $1.3 billion in 2024 alone. Notably, over 50,000 new accounts were opened – many by families with newborns and young children leveraging the state's CalKIDS Program – indicating growing awareness and participation in college savings.
- Higher Contributions and Engagement: Families saved at an accelerated pace in 2024. Contributions in 2024 were up nearly 20% year-over-year, as families took advantage of opportunities for incentives and setting up recurring contributions, as well as utilizing the Plan's robust gifting platform. The Plan's marketing initiatives (including a successful 529 Day campaign and targeted outreach to underserved communities) helped sustain this momentum. Overall account owner engagement deepened – exemplified by strong engagement in establishing recurring contributions as well as a surge in gift contributions, which jumped from $8 million in 2015 to over $100 million in 2024 for beneficiaries' accounts. This trend underscores ScholarShare 529's increasing role in helping California families prepare for future college costs.

California Kids Investment and Development Savings Program (CalKIDS)

CalKIDS is a scholarship program designed to help increase access to higher education. It represents a strategic effort to improve college access and affordability, particularly benefiting newborns and eligible low-income students.

The Program, overseen by the SIB, automatically creates and seeds scholarship accounts for eligible children, promoting long-term savings and investments in their future educational endeavors. The program provides up to $1,500 for eligible participants and gives them an option to continue saving on their own through ScholarShare 529. CalKIDS represents a significant push helping to foster a college-going culture from an early age.

- Significant Account Growth: Since Program launch, CalKIDS has created more than 4.8 million CalKIDS Scholarship Accounts and has helped more than 523,243 children claim their CalKIDS Account and over 85,296 students use their CalKIDS Scholarships to pay for higher education expenses. In addition, CalKIDS has impacted more than 43,975 families who are saving on their own in a linked ScholarShare 529 college savings account.
- Policy Impact and Partnerships: CalKIDS is working with state leaders at the California Department of Social Services, Covered California, and the California Student Aid Commission to help families access their CalKIDS Scholarship in addition to other state benefits they may be eligible for.

HOPE (Hope, Opportunity, Perseverance, and Empowerment for Children) Trust Account Program

The HOPE Program is one of the first statewide child trust account programs in the country. Set to launch in 2026, the program will provide long-term savings accounts to some of California's most financially vulnerable children—those who have spent more than 18 months in foster care or lost a parent or guardian to COVID-19. Participants will have access to financial education and the ability to manage or grow their accounts between the ages of 18 and 26.

In 2024, HOPE staff focused on building the administrative and regulatory framework required to operate the program and reach eligible children across the state.

- Program Readiness and Staffing: HOPE reached a major operational milestone in 2024 by becoming fully staffed and initiating a multi-agency data-sharing framework with departments including Social Services, Public Health, Health Care Services, and the Franchise Tax Board. These agreements are critical to automating enrollment and ensuring eligible children are identified without requiring a burdensome application process.
- Establishing Regulatory and Outreach Foundations: The program began developing and publicly posting draft regulations to guide investment policy, program management, and

participant protections. Staff also advanced strategic outreach efforts and finalized internal branding guidelines to support future enrollment campaigns.

CalABLE

CalABLE is a savings and investment account program that helps people with disabilities to achieve their financial goals. It allows for tax-free growth, and access to funds for the added expenses of living a life with a disability. It also allows recipients of federal and state disability benefits to exceed the asset and resource limitations of those programs.

- Milestone Growth: In 2024, CalABLE reached significant savings milestones, with total assets under management surpassing $170 million, a testament to the program's strong momentum and one of the fastest growth rates among ABLE programs nationwide. This milestone empowers over 13,000 Californians with disabilities to save and invest without risking essential public benefits. From January through October, CalABLE added more than 2,000 new accounts, a 20% increase and the strongest account growth the program has seen in three years. During the same period, assets grew by $34 million, marking a 25% increase. Contributions, distributions, gifts, and prepaid card use all reached record highs.
- Program Enhancements: In 2024, CalABLE implemented a series of enhancements to improve the user experience and streamline program operations. Organizational and Authorized Legal Representative management saw significant upgrades with the introduction of online registration for organizations, (bulk account enrollment, and bulk contribution capabilities). Enrollment was also simplified through an improved customer identification process, the launch of customizable gifting pages, and new goal-setting tools. Account management became more accessible with the launch of a mobile app, recurring contribution options, and the ability to securely link a bank account to verify balances and make deposits. Additionally, a new recurring gifting portal now allows family and friends to easily contribute and manage gifts on behalf of beneficiaries.

CalSavers

CalSavers was launched to address the retirement savings crisis by providing an easy and convenient way for workers in California who do not have access to a workplace retirement plan to save for their future. CalSavers is mandated for private sector employers who do not have a qualified retirement plan for their employees.

CalSavers operates as an automatic enrollment retirement savings plan for private sector workers, allowing them to contribute a portion of their paycheck into an Individual Retirement Account (IRA) directly through payroll deductions.

- Record Participation: Achieved unprecedented scale in 2024 – CalSavers surpassed 539,000 worker accounts and reached $1.1 billion in total assets by December 31, 2024. The program experienced steady growth as the final wave of mandated employers joined; over 59,000 new funded accounts were added during the year, pushing the number of funded accounts above the half-million mark for the first time. This robust participation demonstrates CalSavers' success in extending retirement savings access to employees who previously had no workplace plan.

- Improved Saver Outcomes: Participants' account balances grew significantly in 2024 thanks to strong investment returns and higher contribution rates. The average account balance climbed from $1,565 to $2,061 over the year – a 32% increase – as workers contributed more consistently (average monthly contributions rose to $200, up from $170). The Board's targeted outreach (including multilingual education and a new payroll deduction marketing campaign) helped lower the opt-out rate and drive this increase in savings, enhancing the retirement security of tens of thousands of Californians.

Education

Administered under the guidance of the STO, the CSFA and CEFA focus on providing funding and financial assistance to support the infrastructure and operational needs of California's educational institutions. These programs aim to enhance the educational landscape of the state by facilitating the construction and modernization of school facilities and providing affordable financing options to educational institutions. In 2024, under the leadership of Treasurer Fiona Ma, the STO also sponsored AB 2927—a landmark bill signed into law by Governor Gavin Newsom—that makes personal finance education a high school graduation requirement in California, reinforcing the state's commitment to financial literacy and long-term economic empowerment for students.

California School Finance Authority (CSFA)

The CSFA provides critical financing solutions to support the infrastructure and educational needs of California's K-12 public schools, charter schools, and community colleges. By facilitating access to billions of dollars in state and federal funding, CSFA enables school construction, modernization, and facility improvements that create safe, effective learning environments for students throughout the state.

- Public School Facilities Funding: CSFA's programs provided critical facilities funds which improved learning environments for thousands of K–12 students, particularly in low-income communities in 2024. This includes conduit bond financings for approximately 50 charter schools in 2024, pushing its cumulative support above $3.7 billion since 2002. The Authority's conduit issuance surpassed 150 financings in 2024. During the year, CSFA also awarded more than $230 million in state grants, through the Charter School Facility Grant Program, to assist hundreds of charter schools with rent and lease costs, as well as $1.2 million issued low-interest loans (via the Revolving Loan Fund) to support 6 new campus openings.

- Additional Program Funding: In 2024, the federally funded State Charter School Facilities Incentive Grant Program (Incentives) and the Charter School Facilities Program (CSFP) received funding to initiate new funding rounds in 2025. The Authority secured a $30 million grant through a competitive application process administered by the United States Department of Education. This grant targets high-quality charter schools in underserved communities throughout California. CSFP's new funding, totaling $600 million earmarked for charter school facilities, was provided as a part of Proposition 2 passing in the November 2024 election.

California Educational Facilities Authority (CEFA)

The CEFA assists private nonprofit colleges and universities by providing access to tax-exempt financing for capital projects. By lowering the cost of borrowing, CEFA helps educational institutions invest in critical infrastructure, such as student and educational facilities. Thereby supporting long-term growth and a nurturing environment, enhancing the quality of higher education across the state.

- Affordable Capital for Education: Authorized the issuance of $190 million in low-cost financing for higher education institutions in 2024, enabling campus improvements at private colleges and universities. CEFA's bond program has historically served as a conduit issuer for tax-exempt bonds for projects like new student housing and research facilities, helping schools from Stanford to Loma Linda University modernize infrastructure at substantially reduced interest costs.
- Supporting Student Aid: Continued to administer the College Access Tax Credit Fund (CATCF), which incentivizes private donations to the Cal-HBCU Transfer Grant Program. In 2024, CEFA received $930,703 in contributions. This fund has raised over $50 million for need-based student grants, directly expanding college affordability for low-income Californians.

Health

The STO supports California's health infrastructure by expanding access to affordable financing for hospitals, clinics, dental clinics, and mental health facilities, among other types of facilities. Through programs like the Investment in Mental Health Wellness Grant Program for Children and Youth and the Children's Hospital Programs, the Office helps reduce capital costs for health care providers, allowing them to invest in equipment, expand facilities, and improve services. These efforts strengthen the state's health care system and ensure more equitable access to care in underserved communities.

California Health Facilities Financing Authority (CHFFA)

The CHFFA, established in 1979, serves as a key vehicle for providing financial assistance to public and non-profit healthcare providers through loans, grants, and tax-exempt bonds. The goal is to help reduce capital costs for eligible healthcare facilities, promoting access to healthcare, cost containment, and healthcare improvements across California.

- Healthcare Financing Impact: Served as a conduit issuer of $2.4 billion in tax-exempt bonds in 2024 for non-profit hospitals and health facilities and provided $8 million in low interest HELP II loans to eight community health centers. These financings helped hospitals modernize equipment and build new facilities – from major medical center expansions to rural clinic renovations – all at borrowing rates that save healthcare providers millions over commercial loans.
- Major Grant Disbursements: Deployed large levels of grant funding to improve health care access and outcomes. In 2024, CHFFA disbursed over $164 million to California's children's hospitals for capital projects (under the Children's Hospital Bond Act of 2018), funding new pediatric trauma centers and neonatal intensive care units. Additionally, CHFFA disbursed more than $20.6 million to counties for mental health crisis infrastructure (including youth crisis stabilization units and residential treatment facilities) and for community facilities treating justice- involved individuals with mental health illnesses, substance use disorders, or trauma – investments that expand access to critical health and behavioral care statewide.

Housing

The STO addresses the state's critical housing needs by providing California families affordable housing through the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee (CTCAC). CDLAC awards tax-exempt bond financing, while CTCAC allocates state and federal low-income housing tax credits that create or preserve affordable apartments.

California Tax Credit Allocation Committee (CTCAC)

The CTCAC administers the federal and state Low-Income Housing Tax Credit (LIHTC) programs, which were created to promote private investment in affordable rental housing for lower-income Californians. Since the program's inception in 1987, CTCAC has assisted more than 550,000 affordable units with tax credit awards, serving over 1 million lower-income households, supporting nearly 300,000 jobs per year, and generating over $12 billion in tax revenue and $3.5 billion in wages and business income per year.

- Affordable Housing Production: Allocated the full 2024 allocation of federal and state Low-Income Housing Tax Credits (LIHTCs) to affordable housing developments, paving the way for the construction or preservation of over 18,000 affordable units statewide. All $113.9 million in annual federal 9% credits were awarded to top-scoring projects across California's regions, leveraging over $1 billion in private equity investment. Additionally, CTCAC utilized state LIHTCs to fill financing gaps in bond-funded 4% projects, ensuring financial feasibility for numerous housing developments serving low-

income families, seniors, and special needs populations. CTCAC also continued advocacy for increased federal credit allocations and streamlined its compliance monitoring, using data analytics to ensure tax credit projects meet occupancy and affordability targets.
- Innovative Credit Programs: In late 2024, CTCAC rolled out the State Historic Rehabilitation Tax Credit, with regulations effective November 12, 2024. This program offers a 20% or 25% state tax credit to rehabilitate historic buildings into affordable housing, mixed-use, or other community projects, complementing federal historic credits.

California Debt Limit Allocation Committee (CDLAC)

The CDLAC was created to set and allocate California's annual debt ceiling and administer the State's tax-exempt bond program to allocate debt authority. Federal law limits how much tax-exempt debt a state can issue in a calendar year for private projects that have a qualified public benefit. The cap is determined by a population-based formula. CDLAC's programs are used to finance affordable housing developments for low-income Californians, build solid waste disposal and waste facilities, and to finance industrial development projects.

- Maximized Affordable Housing Bonds: Allocated over $5.4 billion in the state's volume cap to affordable housing and public benefit projects. These tax-exempt bonds will finance over 15,000 of new affordable housing units statewide. CDLAC also allocated tax exempt bonds to CalVet to support single family home mortgages for low- and moderate-income California veterans, as well as essential waste-management facilities. All allocation rounds in 2024 were fully subscribed, reflecting strong demand and CDLAC's efficiency in deploying bond authority.
- Process Modernization: Streamlined the allocation process through technology and planning. In 2024 CDLAC launched a new Online Application Portal for issuers and a secure e-payment system, cutting application times. The Committee also conducted an annual Demand Survey, which projected over $18 billion in bond needs for 2025. This proactive planning led CDLAC to adjust its 2025 schedule (adding a third allocation round for rental projects) to better meet housing demand.

Data Sources

All data and program highlights in this report were sourced from 2024 board meeting agendas, minutes, and supporting documents from the STO and its BCA's. Additional data was drawn from internal performance dashboards, year-end division summaries, public reports, and Treasurer-hosted presentations. Where applicable, estimates are based on the most current information available as of December 31, 2024. This report is intended to provide a high-level overview of key activities and outcomes for public awareness and accountability purposes.

THANK YOU!

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