



California State Treasurer Fiona Ma, CPA

News Release

FOR IMMEDIATE RELEASE

PR 19:59
June 04, 2019

Contact: [Mark DeSio](#)
(916) 651-6088

Treasurer Fiona Ma, Climate Scientists, Engineers, and Other Experts Seek to Establish California as World's Green Bond Leader

BERKELEY – State Treasurer Fiona Ma chaired the inaugural meeting of the California Green Bond Market Development Committee today at [The Center for Environmental Public Policy at UC Berkeley's Goldman School of Public Policy](#) “with the intent of developing the strategy and tactics necessary to lead California to a functioning green bond market that will be a model for other states and countries.”

"California has been a green finance pioneer in the U.S. market," said Sean Kidney, CEO of the [Climate Bonds Initiative](#). "This announcement from Treasurer Ma marks a new phase of forward facing national leadership to develop scientifically rigorous investment models that address infrastructure needs in a climate impacted future. International investors and global funds are increasingly looking for quality, long term green infrastructure opportunities that incorporate climate factors. That's precisely the direction Treasurer Ma wants the Californian and other US markets to move towards."

Institutional investors have shown an increased demand for climate-friendly investments that are more efficient and which have demonstrable benefits for our climate. A recent study asserts that governmental issuers who sell bonds to finance climate-friendly projects enjoy a competitive advantage in the marketplace for their bonds when those bonds are identified and certified as “green.” In a time when socially conscious investors are demanding more “green” investments, Treasurer Ma believes California has the opportunity to demonstrate its leadership in this critical part of the climate response.

“We can meet the demand of these investors clamoring for infrastructure project investments that recognize and respond to the realities of climate change. California can achieve a competitive advantage by using our market presence to create financing programs that fit the investment preferences of investors looking for the infrastructure investments of the future. And in so doing, we will inevitably produce more economical and efficient results for all Californians,” she said.

At today’s meeting Treasurer Ma called upon members of the California Green Bond Market Development Committee to “join me in a detailed effort” to identify and promote infrastructure projects financed with bonds issued by the California’s state and local government as climate-

ready, if they meet standards established by recognized international scientists as supporting resilience, adaptation, or climate response. The California Green Bond Market Development Committee consists of 27 academics, engineers, public policy experts, attorneys, and climate scientists.

“Green bonds are used to finance the infrastructure of a climate-challenged world,” said Treasurer Ma. “By investing sooner rather than later in physical assets that support positive impacts on our climate – or which make the public infrastructure we all rely on more resilient to climate change – we can telegraph to the rest of the world in general, and investors in California’s bonds in particular, that California intends to lead in a meaningful way toward the health of our planet.”

Last year, California’s leaders committed the state to eliminating fossil fuels from its electrical grid by 2045. California is the second state to make such a pledge. Hawaii is the other. At today’s meeting participants noted that eliminating fossil fuels will reduce greenhouse-gas emissions associated with climate change.

“We need to leverage California’s market presence and leadership to develop a strategy that ensures that green bonds marketed to investors truly are green,” said Treasurer Ma. “This is where you, as members of the California Green Bond Development Committee will play a crucial role.”

The American Society of Civil Engineers estimates the U.S. currently has a multi-trillion dollar shortfall in funding its infrastructure needs in the coming decades. In California alone, independent reports estimate the shortfall will exceed \$400 billion over the next 10 years. Green bonds may be sold by governments, as well as by private entities, to finance projects that have positive environmental or climate attributes. The projects can range from clean transportation to renewable energy.

In Governor Gavin Newsom’s first State of the State Address earlier this year, he reaffirmed that California “will never waver on achieving the nation’s most ambitious clean energy goals.” It is with Governor Newsom’s continued commitment that Treasurer Ma says she identified the need to create and follow rigorous scientific criteria that supports the identification of “green” projects that support the need for resilience, adaptation, and climate friendly infrastructure – projects that deserve the title “Certified Green”.

“Doing so will telegraph to California’s bond investors, and the rest of the world in general, that California intends to lead in a meaningful way toward the health of our planet,” she said.

Fiona Ma is California’s 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state’s history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer’s Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world’s fifth-largest economy and Treasurer Ma is the state’s primary banker. Her office processes more than \$2 trillion in payments within a typical year. She provides

transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio of more than \$96.9 billion, approximately \$20 billion of which are local government funds. She serves as agent for sale of all State bonds, and is trustee on over \$95.3 billion of outstanding debt.

For more news about the State Treasurer's Office, please follow Treasurer Ma on Twitter at [@CalTreasurer](#), Instagram at [caltreasurer](#), and on Facebook at [California State Treasurer's Office](#).

###