

**re·li·a·ble:** *adjective*  
consistently good in  
quality or performance;  
able to be trusted.







**FIONA MA, CPA**  
**TREASURER**  
**STATE OF CALIFORNIA**

October 1, 2024

Dear friends,

Since the Debt Affordability Report was last published on October 1, 2023, financial markets have experienced significant volatility, however the state has continued to enjoy strong market access to sell bonds which fund important projects and programs. The state has also been able to refinance portions of its outstanding debt to lower debt service costs. And while our state has not been immune from fiscal headwinds, the state has continued to reliably repay investors, as it has throughout its history.

Financial market volatility during the past fiscal year was caused by a variety of factors, including but not limited to continued inflationary pressures, Federal Reserve monetary policy and international conflicts, with movements guided by investor perceptions of each economic data release and event. After a July 2023 fed funds rate hike completed 5.25% of tightening over 15 months to help fight inflation, interest rates continued to rise through October 2023. At that point, as hostilities broke out in the Middle East and speculation about Federal Reserve policy shifted, rates declined through January 2024. Rates rose again through April 2024 due to renewed inflationary pressure and a continued strong economy, and in the final months of the past fiscal year, rates fluctuated on mixed economic data releases and continued speculation about Federal Reserve policy moves. Recently some of this speculation has been laid to rest as on September 18<sup>th</sup> the Federal Reserve lowered the fed funds rate by 0.50%, but of course market observers immediately began speculating about the amount and timing of future rate cuts.

Despite these volatile financial market conditions and a challenging state budget environment, the state continued to enjoy strong bond market access. A broad range of retail and institutional investors participated in the state's bond sales and the state was able to efficiently raise capital for important infrastructure projects and to refinance existing bonds to save our taxpayers money. During the past fiscal year, the state sold \$8.3 billion of GO bonds, of which \$3.5 billion were sold to refinance existing GO bonds and saved taxpayers over \$500 million in debt service costs over the remaining life of the bonds. The proceeds of new money GO bonds provided funding for voter-approved purposes such as education facilities, affordable housing, high-speed rail, stem cell research, and critical water, drought, parks and climate projects throughout the state.

In March 2024, voters approved the Behavioral Health Infrastructure Bond Act of 2024 (Proposition 1), which authorized the issuance of \$6.38 billion of GO bonds to provide funds for behavioral health treatment resources, supportive housing and veteran housing to serve our most vulnerable populations. Looking ahead, this November voters will be asked to consider two additional \$10 billion GO bond measures, one to fund K-12 schools and community college construction and modernization projects (Proposition 2) and one to fund critical climate programs (Proposition 4).

I am confident that my office will continue to navigate financial markets to execute the state's debt sales as efficiently as possible. Further, my office will continue to manage and administer the state's debt obligations in such a manner as to ensure that our fiduciary responsibilities are upheld.

I encourage you to review the information in this Debt Affordability Report. It provides snapshots of the last fiscal year's municipal market, our state's general fund supported debt profile and summary credit metrics. While debt "affordability" can be viewed from many angles, this report can offer guidance as you and our constituents consider our existing debt obligations and future debt plans in the context of our state's budget and fiscal profile. California has always been a reliable partner to our investors, who provide capital to help fund the state's infrastructure that supports our strong economy, and we will continue to reliably service that debt in full and on time in the future.

In Peace and Friendship,

A handwritten signature in black ink, appearing to be "Fiona Ma", written in a cursive style.

FIONA MA, CPA  
California State Treasurer



# CONTENTS

i	PREFACE
1	SECTION 1: MARKET FOR STATE GENERAL OBLIGATION BONDS
7	SECTION 2: SNAPSHOT OF THE STATE'S DEBT
9	SECTION 3: MEASURING DEBT BURDEN
11	SECTION 4: ANALYSIS OF THE STATE'S CREDIT RATINGS
13	APPENDIX A: THE STATE'S DEBT
19	APPENDIX B: THE STATE'S DEBT SERVICE





# PREFACE

Government Code Section 12330 requires the State Treasurer to submit an annual Debt Affordability Report (DAR) to the Governor and Legislature. The report must provide the following information:

- A listing of authorized but unissued debt supported by the General Fund that the Treasurer intends to sell during the current year (2024-25) and the following year (2025-26), and the projected increase in debt service as a result of those sales.
- A description of the market for state bonds.
- An analysis of state bonds' credit ratings.
- A listing of outstanding debt supported by the General Fund and a schedule of debt service requirements for the debt.
- A listing of authorized but unissued bonds that would be supported by the General Fund.
- Identification of pertinent debt ratios, such as debt service to General Fund revenues, debt to personal income, debt to estimated full value of property and debt per capita.
- A comparison of the pertinent debt ratios for the state with those of the 10 most populous states.
- The percentage of the state's outstanding general obligation (GO) bonds comprised of fixed rate bonds, variable rate bonds, bonds that have an effective fixed interest rate through a hedging contract and bonds that have an effective variable interest rate through a hedging contract.
- A description of any hedging contract, the outstanding face value, the effective date, the expiration date, the name and ratings of the counterparty, the rate or floating index paid by the state and the counterparty, and an assessment of how the contract met its objectives.

## NOTES ON TERMINOLOGY

- This report frequently uses the words “bonds” and “debt” interchangeably, even when the underlying obligation securing the bonds does not constitute debt subject to limitation under California's constitution. This conforms to the municipal market convention that applies the terms “debt” and “debt service” to a wide variety of fixed income instruments, regardless of their precise legal status.
- The report references fiscal years without using the term “fiscal year” or “fiscal.” For example, 2024-25 means the 2024-25 fiscal year ending June 30, 2025.





## SECTION 1

# MARKET FOR STATE GENERAL OBLIGATION BONDS

California is one of the largest issuers in the \$4 trillion U.S. municipal bond market. Over the last five fiscal years, the state has issued an average of \$7.5 billion of General Obligation (GO) bonds annually. In 2023-24, the state issued \$8.3 billion of GO bonds. Of that total, \$3.5 billion was sold to refinance outstanding fixed rate GO bonds to produce debt service savings.

The market and price for the state's GO bonds are influenced by many factors specific to the state as well as overall conditions in the financial markets. These factors include but are not limited to the economy, general market interest rates, significant global events, national and state personal income tax rates, the supply of and demand for municipal bonds, and investor perception of the state's credit.

Since the last DAR was published in October 2023, the municipal bond market has been influenced, by among other things, Federal Reserve monetary policy, inflation, the direction of the economy, and important geopolitical events. These influences on the market have resulted in a volatile interest rate environment. Short-term interest rates have remained elevated and higher than their long-term counterparts, resulting in an inverted yield curve. While this type of inversion has traditionally been an indicator of a recession, the U.S. economy has remained resilient and continued to expand in the past year.

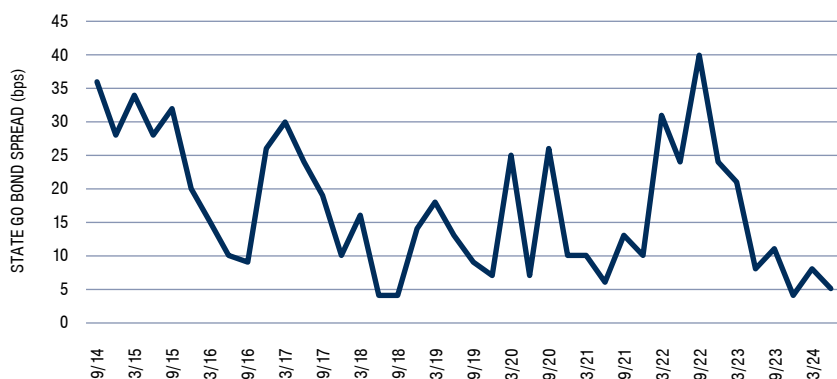
### STATE-SPECIFIC FACTORS

The 2024 Budget Act projected an estimated general fund shortfall of \$46.8 billion in 2024-25 before corrective actions. Fortunately, California has instituted certain budgetary reforms and actions to improve its fiscal condition and prudently built reserves to better prepare for economic downturns and to mitigate the budgetary impacts of significant volatility in the state's tax receipts. As a result, the 2024 Budget Act is utilizing a portion of the state's budgetary reserves, along with other budget solutions, to help balance the budget without more harmful spending cuts that otherwise would have been necessary. The availability of these accumulated reserves, in conjunction with adopted budget solutions, has enabled the state to preserve key investments in education, healthcare and housing, while maintaining fiscal stability.

The ratings on the state's GO bonds have remained steady at "AA" by Fitch Ratings (Fitch), "Aa2" by Moody's Investors Service (Moody's) and "AA-" by S&P Global Ratings (S&P). However, citing a weakened and uncertain revenue environment, S&P revised its outlook to the state's credit rating from positive to stable in December 2023. Previously, in May 2023, Moody's had assigned a negative outlook for similar reasons which it maintained throughout 2023-24. Fitch maintained a stable outlook throughout the fiscal year. The outlook applied to a credit rating generally reflects the rating agency's view that some trends are taking place that could lead to a rating change.

FIGURE 1

30-YEAR CALIFORNIA GO MMD CREDIT SPREADS TO NATIONAL AAA GO MMD



Source: Refinitiv/The Municipal Market Monitor (TM3)

While there has been some volatility in the state’s credit spreads, they have generally traded in a range over the past decade. In general, credit spreads represent the difference in yield between two bonds of similar maturity but different credit quality. Figure 1 depicts the state’s credit spreads, as measured by the difference between the California GO Municipal Market Data (MMD) benchmark to the national AAA GO MMD benchmark.<sup>1</sup> The state’s credit spread on its 30-year GO bonds to the national MMD benchmark widened from a low of four basis points in September 2018 to a high of 40 basis points in September 2022 but declined to five basis points as of June 2024.

While the State currently has significant reserves and a balanced budget, it faces numerous budgetary and economic risks with potentially significant General Fund impacts. These risks include, among other things, volatility in the state’s revenues, inflation, high interest rates, threat of an economic recession, the cost and persistent unfunded liabilities related to public employee retirement benefits, changes to global relations and/or federal policies on trade, health care costs, housing constraints, impacts of climate change, energy risks caused by extreme events, cybersecurity risks, and a potential new or resurgent pandemic.

## OVERALL BOND MARKET CONDITIONS

The discussion below begins with a review of the factors that impacted the larger U.S. bond market that also affected the market for the state’s GO bonds. The past fiscal year, 2023-24, was marked by what most market observers considered the end of Federal Reserve interest rate hikes in the most current cycle of policy tightening, an inverted yield curve, and speculation about when the Federal Reserve would begin to cut interest rates. In addition, the municipal bond market experienced a significant increase in issuance supply and a return to municipal bond fund net inflows.

## INTEREST RATES

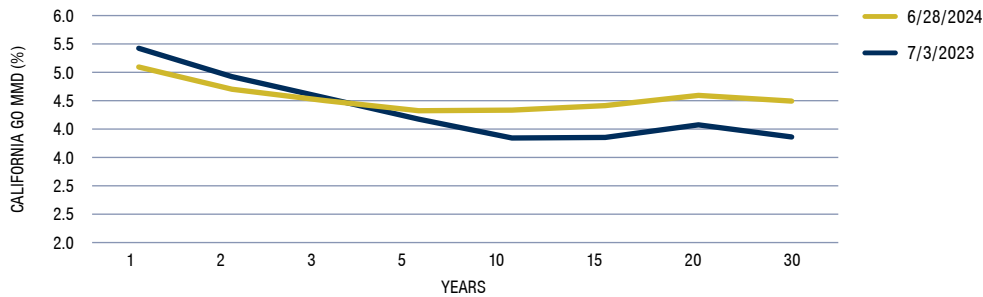
In July 2023, the Federal Reserve increased the target range for the federal funds rate<sup>2</sup> by 25 basis. This was the last of 11 such interest rate hikes totaling 525 basis points since March 2022 in its effort to reduce inflation. Thereafter, market participants closely scrutinized each piece of economic data as they tried to predict when the Federal Reserve would begin cutting interest rates and by how much. However, different pieces of economic data often supported different outlooks. When the data and accompanying narrative reflected higher inflation or a strengthening economy, long-term interest rates rose. When they suggested lower inflation or a slowing economy, long-term interest rates fell. This occurred continuously

<sup>1</sup> The California GO MMD benchmark is compiled each day using yields of recent secondary market trades of state GO Bonds. Due to the much larger amounts of GO Bonds sold in its primary market issuances, the actual borrowing cost achieved by the state generally differs from the levels indicated by the California GO MMD benchmark. Nevertheless, the California GO MMD benchmark is a helpful proxy for tracking trends of the state’s GO Bond program’s borrowing cost. The AAA GO MMD benchmark is compiled each day in a similar manner using the GO Bonds of AAA-rated states. The AAA GO MMD benchmark, in particular, is considered the municipal industry’s benchmark, against which the prices of most new issuances of municipal bonds are compared.

<sup>2</sup> The federal funds rate is the interest rate associated with overnight borrowing among banks.

FIGURE 2

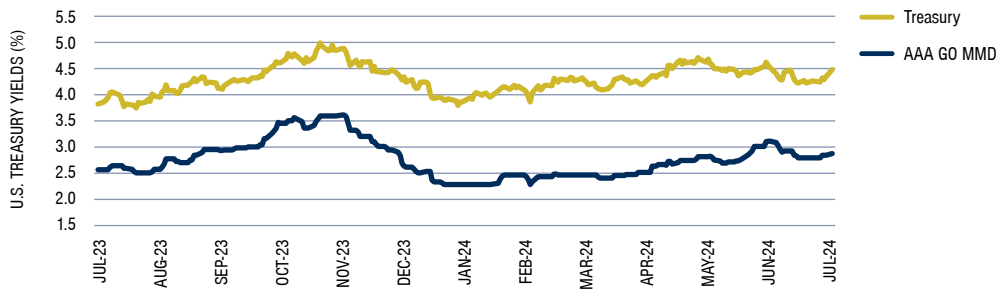
U.S. TREASURY YIELDS



Source: Refinitiv/The Municipal Market Monitor (TM3)

FIGURE 3

TRENDS OF 10-YEAR NATIONAL AAA GO MMD AND 10-YEAR TREASURY YIELDS



Source: Refinitiv/The Municipal Market Monitor (TM3)

throughout the fiscal year, creating a volatile interest rate environment in 2023-24. In addition, other important geopolitical events, including escalation of hostilities in the Middle East among others, also caused sharp interest rate movements that added to the volatility.

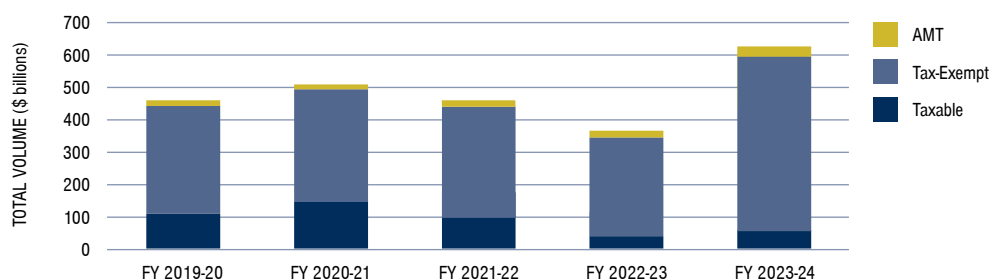
**INVERTED YIELD CURVE.** The Federal Reserve’s multiple rate hikes of the short-term federal funds rate resulted in an inverted yield curve throughout 2023-24, where short-term rates were higher than longer term interest rates. The inversion of 2-year and 10-year U.S. Treasury yields has traditionally been an indicator of a pending recession. However, during all of 2023-24, the U.S. economy continued to expand. Figure 2 depicts the yields of U.S. Treasuries at the start and the end of 2023-24. As the data shows, the inversion of the 2-year and 10-year U.S. Treasury yields has lessened since the beginning of the fiscal year.

**TREND OF INTEREST RATES.** While interest rates experienced significant daily volatility as noted above, they followed different trends over four distinctive phases in

2023-24. First, interest rates rose through October 2023 as economic data continued to show rising prices, a strong economy and low unemployment. Then, a second Federal Reserve meeting where rates were left unchanged increased speculation about rate cuts, and the outbreak of hostilities in the Middle East caused a flight to quality among investors. Together, these factors drove interest rates lower through January 2024. From February to April 2024, renewed signs of inflation and a strong economy diminished hopes of imminent rate cuts, reversing the earlier trend and interest rates moved higher. Finally, more mixed economic data caused rates to fluctuate up and down in a narrower band during the last two months of 2023-24. Recently, on September 18<sup>th</sup>, citing progress on inflation, the Federal Reserve lowered the federal funds rate by 50 basis points. Figure 3 depicts the national tax-exempt 10-year AAA GO MMD benchmark and taxable 10-year U.S. Treasury yields since July 2023 to illustrate these trends in U.S. bond market interest rates. As the data shows, there was a strong correlation between the movements of the taxable and tax-exempt bond markets.

FIGURE 4

U.S. MUNICIPAL BOND ISSUANCE VOLUME BY TAX STATUS



Source: The Bond Buyer

## SUPPLY AND DEMAND

While tax-exempt interest rates generally follow the movements of the overall fixed income market, specific technical and fundamental factors can cause tax-exempt interest rates to behave differently. Because of their tax advantage, tax-exempt bonds have a more limited investor universe than taxable bonds. As a result, the supply of and the demand for tax-exempt bonds are often significant factors affecting their interest rates.

**SUPPLY.** Total municipal bond issuance volume for 2023-24 was 75.1% higher than in 2022-23, increasing to approximately \$623 billion. It is, in fact, significantly higher than the volume of any of the past five fiscal years. The growth in supply was broad-based across multiple sectors and attributable to both new money and refunding issuances. The higher volume was especially noteworthy as the volume was not associated with taxable advance refundings which had accounted for a large portion of the volume in many of the prior years. Figure 4 shows the U.S. municipal bond issuance volume by tax status (AMT or alternative minimum tax, tax-exempt, and taxable) for each of the past five years from July to June.

**DEMAND.** The four largest investor segments for municipal bonds are retail investors, municipal bond funds, banks, and insurance companies, with the first two comprising a large majority of municipal investors. In recent years, retail investors' share of municipal bond holdings has grown significantly through their use of separately managed accounts ("SMAs") that hold individual securities on behalf of a retail investor. In 2023-24, the pace of SMA growth slowed as it has matured, although it has continued to play a large role. Most recently, municipal bond mutual fund participation increased. Whereas there had been significant net outflows from municipal bond funds in 2021-22 and 2022-23, there was a modest net growth in municipal bond fund assets in

2023-24, especially during the last six months from January to June 2024. Figure 5 shows the monthly inflow and outflow of assets for municipal bond funds since July 2021. This increase in demand from municipal bond funds has helped to absorb the significant increase in new issuance supply.

## INTEREST RATES ON THE STATE'S GO BONDS

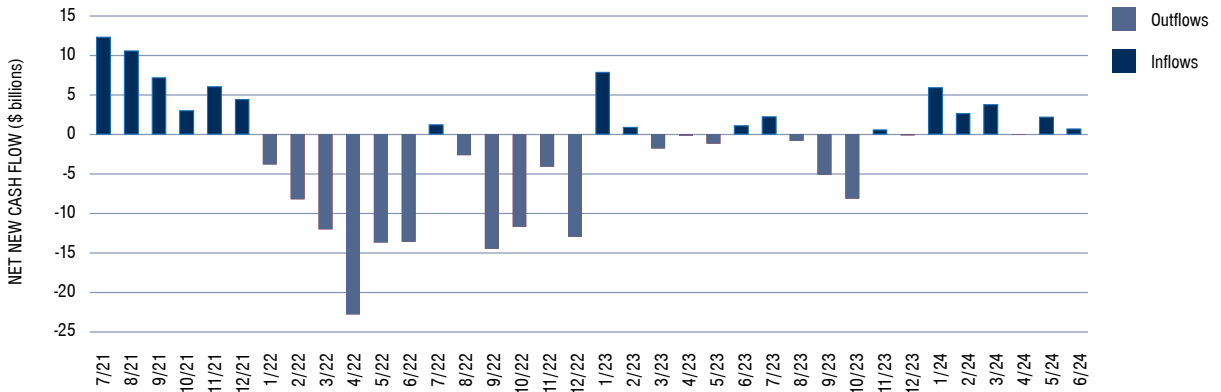
Interest rates on the state's GO bonds are the product of both state-specific factors and more general market conditions. Over the course of 2023-24, interest rates on the state's GO bonds have largely followed the same trend as the national AAA GO MMD benchmark. Due to the rise in tax-exempt rates, the state's borrowing costs have risen modestly as well. Figure 6 compares California GO MMD benchmark rates from the end of 2022-23 to the end of 2023-24. As shown, rates for the state's GO Bonds have followed the general market trend of flattening across the yield curve and are slightly higher in June 2024 than they were one year prior. Overall, the 2023-24 rates for the state's GO Bonds are similar to those seen in 2022-23, remaining notably higher than those rates from much of the past decade as shown in Figure 7.

Although interest rates have been comparatively high this past fiscal year, the state was still able to refinance \$3.8 billion of its outstanding GO bonds in 2023-24 to reduce debt service costs. These refinancings generated approximately \$502 million of total debt service savings over the remaining life of the bonds that were refinanced, or approximately \$367 million on a present value basis.

In addition to fixed-rate GO bonds, the state had approximately \$669 million of variable rate GO bonds outstanding as of the end of 2023-24. Throughout the year, the state's variable interest rates have also risen but continue to be a

**FIGURE 5**

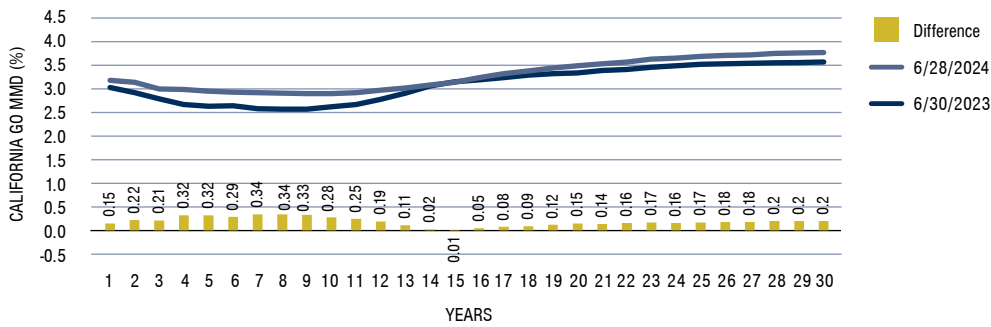
**MUNICIPAL BOND MARKET, MONTHLY FUND INFLOWS / OUTFLOWS**



Source: Investment Company Institute (ICI)

**FIGURE 6**

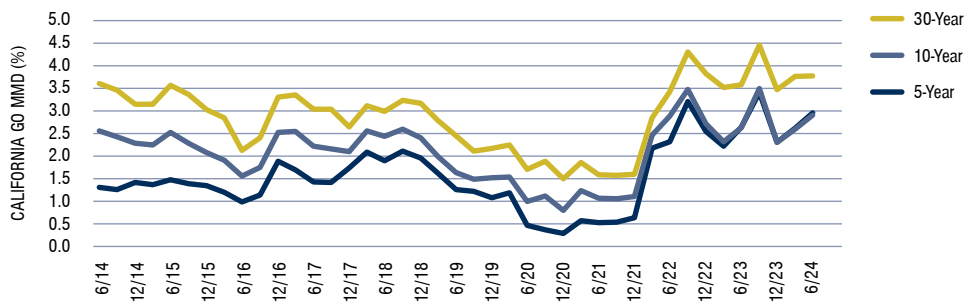
**CALIFORNIA GO MMD BENCHMARK RATES**



Source: Refinitiv/The Municipal Market Monitor (TM3)

**FIGURE 7**

**5-, 10- AND 30-YEAR CALIFORNIA GO MMD**



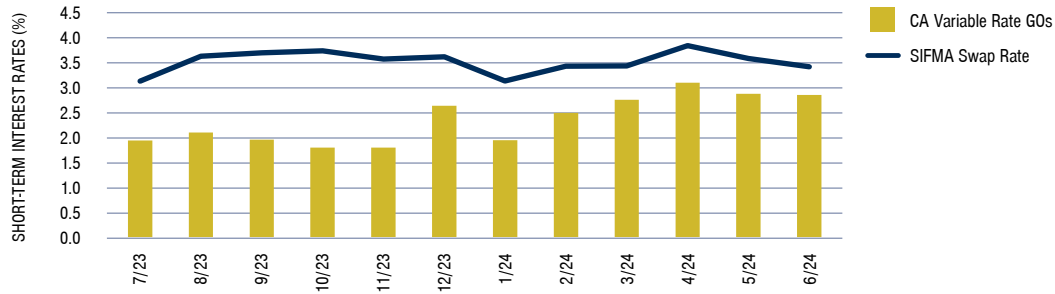
Source: Refinitiv/The Municipal Market Monitor (TM3)

source of low-cost financing for the state and help to diversify its capital structure. Historically, short-term tax-exempt interest rates, such as those on variable rate GO bonds, have been lower than long-term tax-exempt interest rates. As shown in Figure 8, the variable rate GO bonds in 2023-24

performed favorably as compared to the short-term Securities Industry and Financial Markets Association (“SIFMA”) swap index, which is a composite national index of tax-exempt seven-day high-grade variable rate demand obligations similar to the state’s variable rate GO bonds.

**FIGURE 8**

**MONTHLY AVERAGE SHORT-TERM INTEREST RATES**



Source: Refinitiv/The Municipal Market Monitor (TM3) and California State Treasurer’s Office

## SECTION 2 | SNAPSHOT OF THE STATE'S DEBT

### OVERVIEW

Figure 9 summarizes the state's long-term debt as of June 30, 2024. This summary of state debt includes General Fund-supported GO bonds approved by voters and lease revenue bonds (LRBs) authorized by the Legislature, as well as self-liquidating GO bonds. LRBs are secured by lease payments payable from the operating budgets for the respective lessees which are primarily but not exclusively de-

rived from the General Fund. Self-liquidating GO bonds receive revenues from specified sources so that money from the General Fund is not expected to pay debt service. However, the General Fund is obligated to pay debt service should the revenues to support repayment not be sufficient. The figures include bonds the state has sold (outstanding) and bonds authorized but not yet sold. A detailed list of the state's outstanding bonds, and their debt service requirements, can be found in Appendices A and B.

### FIGURE 9

SUMMARY OF THE STATE'S DEBT (a)  
AS OF JUNE 30, 2024 (DOLLARS IN BILLIONS)

	OUTSTANDING	AUTHORIZED BUT UNISSUED	TOTAL
<b>GENERAL FUND SUPPORTED ISSUES</b>			
General Obligation Bonds	\$71.74	\$27.28	\$99.02
Lease Revenue Bonds (b)	8.57	5.52	14.09
<b>TOTAL GENERAL FUND SUPPORTED ISSUES</b>	<b>\$80.31</b>	<b>\$32.80</b>	<b>\$113.11</b>
<b>SELF-LIQUIDATING GENERAL OBLIGATION BONDS</b>			
Veterans General Obligation Bonds	\$0.63	\$0.64	\$1.27
California Water Resources Development General Obligation Bonds	0.00	0.17	0.17
<b>TOTAL SELF-LIQUIDATING GENERAL OBLIGATION BONDS</b>	<b>\$0.63</b>	<b>\$0.81</b>	<b>\$1.44</b>
<b>TOTAL</b>	<b>\$80.94</b>	<b>\$33.61</b>	<b>\$114.55</b>

(a) Debt obligations not included in Figure 9: Any short-term obligations such as commercial paper or revenue anticipation notes; revenue bonds issued by state agencies which are repaid from specific revenues outside the General Fund; and "conduit" bonds, such as those issued by state financing authorities on behalf of other governmental or private entities whose obligations secure the bonds.

(b) LRBs are secured by lease payments that are payable from the operating budget of the respective lessees which are primarily but not exclusively derived from the General Fund.



- As of June 30, 2024, approximately 1.0 percent of the state’s outstanding GO bonds carry variable interest rates, which is significantly lower than the statutorily authorized maximum of 20 percent. The State Treasurer has adopted a Debt Management Policy that, as of the date hereof, further reduces this limitation on variable rate indebtedness to 10 percent of the aggregate amount of long-term GO bonds outstanding. The remaining 99.0 percent of the state’s outstanding GO bonds have fixed interest rates.
- The state has no interest rate hedging contracts on any debt discussed in this report.

### INTENDED ISSUANCE OF GENERAL FUND-SUPPORTED BONDS

The State Treasurer’s Office (STO) estimates of intended issuance are based on Department of Finance (DOF) projections of state departments’ funding needs. Projections for new money debt issuance are based on a variety of factors and are periodically updated. Factors that could affect the

amount of issuance include projected spending by departments, revised funding needs, overall budget constraints, use or repayment of commercial paper, general market conditions and other considerations. Actual issuance amounts often vary significantly from initial estimates.

Figure 10 shows the STO’s estimated issuance of new money General Fund-supported bonds over the current and next fiscal years. Only currently authorized but unissued GO bonds are reflected in Figure 10. The estimated issuance may increase should new bond measures be approved.

As shown in Figure 10, the STO preliminarily estimates the state will issue a combined \$13.0 billion of new money General Fund-supported bonds in 2024-25 and 2025-26. Using these assumptions for debt issuance, the STO estimates debt service payments from the General Fund will increase by \$55.9 million in 2024-25 and \$535.8 million in 2025-26.<sup>3</sup> A detailed list of the estimated debt service requirements can be found in Appendix B.

**FIGURE 10**

ESTIMATED ISSUANCE, GENERAL FUND-SUPPORTED BONDS (a) (DOLLARS IN MILLIONS)

	2024-25	2025-26	TOTAL
General Obligation Bonds (b)	\$4,560	\$4,890	\$9,450
Lease Revenue Bonds (c)	\$1,715	\$1,810	\$3,525
<b>TOTAL GENERAL FUND-SUPPORTED BONDS</b>	<b>\$6,275</b>	<b>\$6,700</b>	<b>\$12,975</b>

(a) Debt issuances not included in Figure 10: Any refunding bonds, short-term obligations such as commercial paper or revenue anticipation notes; revenue bonds issued by state agencies which are repaid from specific revenues outside the General Fund; and “conduit” bonds, such as those issued by state financing authorities on behalf of other governmental or private entities whose obligations secure the bonds.

(b) The initial issuance of GO bonds may be in the form of commercial paper notes.

(c) LRBs are secured by lease payments that are payable from the operating budget of the respective lessees which are primarily but not exclusively derived from the General Fund.

<sup>3</sup> Figures reflect debt service from only a portion of the bond sales listed in Figure 10. For example, \$1.96 billion of the \$4.6 billion in GO bonds and \$312 million of the \$1.7 billion in LRBs planned for 2024-25 are expected to be sold during the first half of the fiscal year. These bonds, if issued as planned, are expected to have interest payments in the second half of the fiscal year. The remaining GO bonds and LRBs expected to be sold in the second half of 2024-25 will not have a debt service payment during 2024-25. The first interest payment for these bonds will be in 2025-26.

## SECTION 3 MEASURING DEBT BURDEN

### DEBT RATIOS

Measuring California's debt level with various ratios provides one way to compare the state's burden to that of other borrowers even it does not directly address debt affordability. The three most commonly used ratios are: debt service as a percentage of General Fund revenues; debt as a percentage of personal income; and debt per capita. A fourth ratio – debt as a percentage of state gross domestic product (GDP) – can also be a useful comparison tool.

### DEBT SERVICE AS PERCENTAGE OF GENERAL FUND REVENUES

Because debt service is considered a fixed part of a budget, credit analysts compare General Fund-supported debt service to General Fund revenues to measure a state's fiscal flexibility. California's ratio of General Fund-supported debt service to General Fund revenues was 4.09 percent<sup>4</sup> in 2023-24. That figure is based on \$7.75 billion<sup>5</sup> of GO and LRB debt service payments versus \$189.4 billion of General Fund revenues (less transfers to the Budget Stabilization Account/Rainy Day Fund).<sup>6</sup> The STO estimates this ratio will be 3.86 percent<sup>7</sup> in 2024-25. That estimate is based

on an expected \$8.01 billion<sup>5</sup> of debt service payments versus \$207.2 billion of General Fund revenues (less transfers from the Budget Stabilization Account/Rainy Day Fund).<sup>6</sup>

### DEBT AS PERCENTAGE OF PERSONAL INCOME

Comparing a state's level of debt to the total personal income of its residents is a way to measure a state's ability to generate revenues and repay its obligations. Utilizing the 2023 personal income information by state obtained from the U.S. Bureau of Economic Analysis<sup>8</sup> and Moody's net tax-supported debt figures<sup>9</sup>, the state's ratio of debt to personal income is 3.1 percent.

### DEBT PER CAPITA

Debt per capita measures residents' average share of a state's total outstanding debt. It does not account for the employment status, income, or other financial resources of residents. As a result, debt per capita does not reflect a state's ability to repay its obligations as well as other ratios, such as debt service as a percentage of General Fund revenues or debt as a percentage of personal income. Utilizing the U.S. Census Bureau population data for 2023 and Moody's net tax-supported debt figures<sup>9</sup>, the state's debt per capita is \$2,528.

<sup>4</sup> Does not reflect offsets due to subsidy payments from the federal government for Build America Bonds (BABs) or transfers from special funds. When debt service is adjusted to account for approximately \$1.7 billion of estimated offsets, the 2023-24 debt service decreases to \$6.06 billion, and the ratio of debt service to General Fund revenues drops to 3.20 percent.

<sup>5</sup> Excludes enterprise fund bonds, for which debt service each year is paid from dedicated funds.

<sup>6</sup> Source: Department of Finance General Fund Multiyear Forecast, 2024 Budget Act.

<sup>7</sup> Does not reflect offsets due to subsidy payments from the federal government for BABs or transfers from special funds. When debt service is adjusted to account for approximately \$1.7 billion of estimated offsets, the 2024-25 debt service decreases to \$6.3 billion and the ratio of debt service to General Fund revenues drops to 3.02 percent.

<sup>8</sup> U.S. Bureau of Economic Analysis – Gross Domestic Product by State and Personal Income by State, 1<sup>st</sup> Quarter 2024 <https://www.bea.gov/sites/default/files/2024-06/stgdppi1q24.pdf>

<sup>9</sup> The state's net tax-supported debt figure is sourced from Moody's Municipal Financial Ratio Analysis (MFRA). The MFRA is a comprehensive database available on Moody's website of standardized and comparable financial data and operating credit statistics. For California, Moody's net tax-supported debt figure is sourced from the state's Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022. The data is primarily found in Tables 22 and 46 and includes GO bonds (non-self-liquidating), LRBs, GO commercial paper notes, tobacco securitization bonds with a general fund backstop, No Place Like Home bonds, and other governmental debts as determined by Moody's.

**FIGURE 11**

**DEBT TO PERSONAL INCOME OF 10 MOST POPULOUS STATES**

STATE	MOODY'S/S&P/ FITCH (a)	DEBT TO PERSONAL INCOME (b)
Florida	Aaa/AAA/AAA	1.00%
Texas	Aaa/AAA/AAA	1.00%
North Carolina	Aaa/AAA/AAA	1.00%
Michigan	Aa1/AA/AA+	1.70%
Georgia	Aaa/AAA/AAA	1.90%
Pennsylvania	Aa3/A+/AA	2.20%
Ohio	Aaa/AAA/AAA	2.60%
<i>California</i>	<i>Aa2/AA-/AA</i>	<i>3.10%</i>
Illinois	A3/A-/A-	4.10%
New York	Aa1/AA+/AA+	4.30%
<b>MEDIAN FOR THE 10 MOST POPULOUS STATES</b>		<b>2.05%</b>

(a) Moody's, S&P and Fitch ratings as of August 2024.

(b) Calculated using the 2023 personal income information by state from the U.S. Bureau of Economic Analysis and Moody's 2023 MFRA net tax-supported debt figures. For California and Illinois, 2022 MFRA net tax supported debt figures were utilized due to the unavailability of 2023 figures at the time of publication.

**FIGURE 12**

**DEBT PER CAPITA OF 10 MOST POPULOUS STATES**

STATE	MOODY'S/S&P/ FITCH (a)	DEBT PER CAPITA (b)
North Carolina	Aaa/AAA/AAA	\$635
Texas	Aaa/AAA/AAA	\$654
Florida	Aaa/AAA/AAA	\$711
Michigan	Aa1/AA/AA+	\$1,015
Georgia	Aaa/AAA/AAA	\$1,100
Pennsylvania	Aa3/A+/AA	\$1,523
Ohio	Aaa/AAA/AAA	\$1,558
<i>California</i>	<i>Aa2/AA-/AA</i>	<i>\$2,528</i>
Illinois	A3/A-/A-	\$2,911
New York	Aa1/AA+/AA+	\$3,453
<b>MEDIAN FOR THE 10 MOST POPULOUS STATES</b>		<b>\$1,312</b>

(a) Moody's, S&P and Fitch ratings as of August 2024.

(b) Calculated using the U.S. Census Bureau population data for 2023 and Moody's 2023 MFRA net tax-supported debt figures. For California and Illinois, 2022 MFRA net tax supported debt figures were utilized due to the unavailability of 2023 figures at the time of publication.

**DEBT AS PERCENTAGE OF STATE GDP**

Debt as a percentage of GDP generally is used to measure the financial leverage provided by an issuer's economy. Specifically, this debt ratio compares what an issuer owes versus what it produces. California has one of the largest economies in the world as well as one of its most diverse. Utilizing the gross domestic product by state for 2023 obtained from the U.S. Bureau of Economic Analysis<sup>8</sup> and Moody's net tax-supported debt figures<sup>9</sup>, the state's debt a percentage of GDP is 2.6 percent.

**DEBT RATIOS OF THE 10 MOST POPULOUS STATES**

It is useful to compare California's debt levels with those of its "peer group" of the 10 most populous states. As shown in the tables, the median debt to personal income (Figure 11), debt per capita (Figure 12) and debt as a percentage of GDP (Figure 13) of these 10 states are, on average, lower than California's calculated ratios.

**FIGURE 13**

**DEBT AS A PERCENTAGE OF STATE GDP OF  
10 MOST POPULOUS STATES**

STATE	MOODY'S/S&P/ FITCH (a)	DEBT AS % OF STATE GDP (b)
Texas	Aaa/AAA/AAA	0.80%
North Carolina	Aaa/AAA/AAA	0.90%
Florida	Aaa/AAA/AAA	1.00%
Michigan	Aa1/AA/AA+	1.50%
Georgia	Aaa/AAA/AAA	1.50%
Pennsylvania	Aa3/A+/AA	2.00%
Ohio	Aaa/AAA/AAA	2.10%
<i>California</i>	<i>Aa2/AA-/AA</i>	<i>2.60%</i>
New York	Aa1/AA+/AA+	3.10%
Illinois	A3/A-/A-	3.40%
<b>MEDIAN FOR THE 10 MOST POPULOUS STATES</b>		<b>1.75%</b>

(a) Moody's, S&P and Fitch ratings as of August 2024.

(b) Calculated using the gross domestic product by state (current-dollar) for 2023 from the U.S. Bureau of Economic Analysis and Moody's 2023 MFRA net tax-supported debt figures. For California and Illinois, 2022 MFRA net tax supported debt figures were utilized due to the unavailability of 2023 figures at the time of publication.

# SECTION 4 ANALYSIS OF THE STATE'S CREDIT RATINGS

The state's current GO bond ratings are "AA" from Fitch, "Aa2" from Moody's and "AA-" from S&P. A summary of the latest rating agencies' actions on the state's GO bonds is presented in Figure 14.

Since the last DAR, a year ago, the ratings on the state's GO bonds remain unchanged, although in December 2023 the outlook for the state's S&P rating was revised from "positive" to "stable." A brief summary of the recent rating agency commentary around the State's key credit strengths and challenges is presented in Figure 15.

**FIGURE 14**

LATEST RATING ACTIONS

RATING AGENCY	ACTION	DATE
Fitch	Affirmed "AA" rating (stable)	August 2024
Moody's	Affirmed "Aa2" rating (negative)	August 2024
S&P	Affirmed "AA-" rating and revised outlook from "positive" to "stable"	December 2023
	Affirmed "AA-" rating (stable)	August 2024

**FIGURE 15**

STATE OF CALIFORNIA GENERAL OBLIGATION RATING AGENCY COMMENTARY

	FITCH	MOODY'S	S&P
<b>RATING STRENGTHS</b>	<ul style="list-style-type: none"> <li>Large and diverse economy</li> <li>Solid ability to manage expenses through the economic cycle and moderately low level of long-term liabilities</li> <li>Strong budget management during period of economic expansion and revenue growth allowing the state to improve its financial position and enhance its ability to address future fiscal challenges</li> </ul>	<ul style="list-style-type: none"> <li>Massive economic base</li> <li>Healthy budget reserves and liquidity</li> <li>Moderate leverage and fixed cost burdens, significantly lower than the most heavily burdened states and lower than many Aa peers</li> </ul>	<ul style="list-style-type: none"> <li>Strong economic metrics, with high income levels and good economic diversity</li> <li>Strong financial reserves and overall liquidity</li> <li>Moderate and stable net debt ratios</li> </ul>
<b>RATING CHALLENGES</b>	<ul style="list-style-type: none"> <li>Vulnerabilities in financial operations remain, including from the cyclical nature of its revenue base and the limitations imposed by voter initiatives</li> <li>Emerging issue related to data quality and transparency, reflecting the state's lateness in producing GAAP-based audited financial statements</li> </ul>	<ul style="list-style-type: none"> <li>Highly volatile revenue structure, legislative supermajority requirement to raise new revenue, and spending mandates that limit operating flexibility</li> <li>High cost of living may contribute to accelerated out-migration and become a drag on economic growth over time</li> <li>Vulnerability to changes in federal policy and funding, especially regarding healthcare</li> <li>Rising school district pension contribution requirements could become a growing fiscal burden for local districts and increase pressure on state to expand financial support</li> </ul>	<ul style="list-style-type: none"> <li>Volatile revenues due to reliance on highly progressive personal income tax structure and dependence on top taxpayers and their capital gains tax</li> <li>High cost of housing and social services spending which poses threats to long-term economic growth prospects, particularly if higher income earners opt to leave to lower cost of living states</li> <li>Current minimal prefunding of large retiree health care benefits and continued moderately high pension liabilities</li> <li>Cyclical fiscal history and potential outyear spending pressures which could affect future structural financial balance, as well as issues of financial transparency regarding timely release of financial audits</li> </ul>



# APPENDIX A | THE STATE'S DEBT

## AUTHORIZED AND OUTSTANDING NON-SELF LIQUIDATING GENERAL OBLIGATION BONDS AS OF JUNE 30, 2024 (DOLLARS IN THOUSANDS)

GENERAL FUND BONDS	VOTER AUTHORIZATION DATE	AUTHORIZATION AMOUNT	LONG TERM BONDS OUTSTANDING	COMMERCIAL PAPER OUTSTANDING (a)	UNISSUED
1988 School Facilities Bond Act (b)	11/08/88	\$797,745	\$9,555	\$ -	\$ -
1990 School Facilities Bond Act (b)	06/05/90	797,875	8,835	-	-
1992 School Facilities Bond Act (b)	11/03/92	898,211	18,680	-	-
Behavioral Health Infrastructure Bond Act of 2024	03/05/24	6,380,000	-	-	6,380,000
California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (e)	03/05/02	2,596,643	1,501,870	19,930	93,248
California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018	06/05/18	4,100,000	1,298,955	75,350	2,583,335
California Library Construction and Renovation Bond Act of 1988 (b)	11/08/88	72,405	2,155	-	-
* California Park and Recreational Facilities Act of 1984 (b)	06/05/84	368,900	1,555	-	-
* California Parklands Act of 1980	11/04/80	285,000	50	-	-
California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000	03/07/00	350,000	185,925	-	5,040
* California Safe Drinking Water Bond Law of 1976 (b)	06/08/76	172,500	660	-	-
* California Safe Drinking Water Bond Law of 1984	11/06/84	75,000	300	-	-
* California Safe Drinking Water Bond Law of 1986	11/04/86	100,000	3,255	-	-
California Safe Drinking Water Bond Law of 1988	11/08/88	75,000	9,280	-	-
California Stem Cell Research and Cures Bond Act of 2004	11/02/04	3,000,000	761,475	69,575	40,590
California Stem Cell Research, Treatments, and Cures Bond Act of 2020	11/03/20	5,500,000	843,885	-	4,656,115
* California Wildlife, Coastal, and Park Land Conservation Act (b)	06/07/88	768,670	18,155	-	-
Children's Hospital Bond Act of 2004	11/02/04	750,000	520,255	225	1,150
Children's Hospital Bond Act of 2008	11/04/08	980,000	743,915	3,150	39,495
Children's Hospital Bond Act of 2018	11/06/18	1,500,000	189,365	165,805	1,107,695

**AUTHORIZED AND OUTSTANDING  
NON-SELF LIQUIDATING GENERAL OBLIGATION BONDS  
AS OF JUNE 30, 2024 (DOLLARS IN THOUSANDS) CONTINUED**

GENERAL FUND BONDS	VOTER AUTHORIZATION DATE	AUTHORIZATION AMOUNT	LONG TERM BONDS OUTSTANDING	COMMERCIAL PAPER OUTSTANDING (a)	UNISSUED
Class Size Reduction Kindergarten-University Public Education Facilities Bond Act of 1998 (Hi-Ed)	11/03/98	2,500,000	944,240	-	-
Class Size Reduction Kindergarten-University Public Education Facilities Bond Act of 1998 (K-12)	11/03/98	6,700,000	1,961,495	65	35
* Clean Air and Transportation Improvement Bond Act of 1990	06/05/90	1,990,000	202,845	-	-
* Clean Water Bond Law of 1984	11/06/84	325,000	100	-	-
* Clean Water and Water Conservation Bond Law of 1978	06/06/78	375,000	755	-	-
Clean Water and Water Reclamation Bond Law of 1988	11/08/88	65,000	3,000	-	-
County Correctional Facility Capital Expenditure and Youth Facility Bond Act of 1988	11/08/88	500,000	6,875	-	-
Disaster Preparedness and Flood Prevention Bond Act of 2006 (d)(g)	11/07/06	3,960,560	2,781,900	28,790	210,782
Earthquake Safety and Public Buildings Rehabilitation Bond Act of 1990 (f)	06/05/90	292,510	2,200	-	-
* Fish and Wildlife Habitat Enhancement Act of 1984	06/05/84	85,000	1,925	-	-
Higher Education Facilities Bond Act of 1988	11/08/88	600,000	4,370	-	-
Higher Education Facilities Bond Act of June 1990	06/05/90	450,000	6,975	-	540
Higher Education Facilities Bond Act of June 1992	06/02/92	900,000	41,705	-	-
Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006	11/07/06	19,925,000	12,951,205	79,905	569,825
Housing and Emergency Shelter Trust Fund Act of 2002	11/05/02	2,100,000	115,295	2,770	54,285
Housing and Emergency Shelter Trust Fund Act of 2006	11/07/06	2,850,000	776,545	25,095	189,130
Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (CCC)	11/08/16	2,000,000	1,078,640	1,030	782,140
Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (K-12)	11/08/16	7,000,000	5,639,545	56,120	157,725
Kindergarten-University Public Education Facilities Bond Act of 2002 (Hi-Ed)	11/05/02	1,650,000	974,680	-	-
Kindergarten-University Public Education Facilities Bond Act of 2002 (K-12)	11/05/02	11,400,000	5,781,700	-	5,455
Kindergarten-University Public Education Facilities Bond Act of 2004 (Hi-Ed)	03/02/04	2,300,000	1,439,955	-	58,019
Kindergarten-University Public Education Facilities Bond Act of 2004 (K-12)	03/02/04	10,000,000	5,876,510	-	16,160
Kindergarten-University Public Education Facilities Bond Act of 2006 (Hi-Ed)	11/07/06	3,087,000	2,333,925	-	38,775
Kindergarten-University Public Education Facilities Bond Act of 2006 (K-12)	11/07/06	7,329,000	4,966,950	61,870	80,155
* New Prison Construction Bond Act of 1986	11/04/86	500,000	765	-	-
New Prison Construction Bond Act of 1988	11/08/88	817,000	1,890	-	1,245
New Prison Construction Bond Act of 1990	06/05/90	450,000	490	-	605
Public Education Facilities Bond Act of 1996 (Higher Education)	03/26/96	975,000	196,925	-	4,650



**AUTHORIZED AND OUTSTANDING  
NON-SELF LIQUIDATING GENERAL OBLIGATION BONDS  
AS OF JUNE 30, 2024 (DOLLARS IN THOUSANDS) CONTINUED**

GENERAL FUND BONDS	VOTER AUTHORIZATION DATE	AUTHORIZATION AMOUNT	LONG TERM BONDS OUTSTANDING	COMMERCIAL PAPER OUTSTANDING (a)	UNISSUED
Public Education Facilities Bond Act of 1996 (K-12) (c)	03/26/96	2,012,035	287,200	-	-
Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Act (d)	03/07/00	1,884,000	875,730	-	43,346
Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (d)(e)	11/07/06	5,266,357	3,152,255	119,095	544,607
Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000	03/07/00	2,100,000	878,810	7,600	8,625
Safe, Clean, Reliable Water Supply Act (d)	11/05/96	969,500	289,075	-	62,915
Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century	11/04/08	9,950,000	5,185,860	39,310	2,264,790
* School Building and Earthquake Bond Act of 1974	11/05/74	150,000	2,660	-	-
School Facilities Bond Act of 1990	11/06/90	800,000	11,685	-	-
School Facilities Bond Act of 1992	06/02/92	1,900,000	21,445	-	10,280
Seismic Retrofit Bond Act of 1996	03/26/96	2,000,000	550,150	-	-
* State, Urban, and Coastal Park Bond Act of 1976	11/02/76	280,000	535	-	-
Veterans Homes Bond Act of 2000	03/07/00	50,000	29,455	-	975
Veterans Housing and Homeless Prevention Bond Act of 2014	06/03/14	600,000	242,020	49,715	283,685
Veterans and Affordable Housing Bond Act of 2018	11/06/18	3,000,000	969,855	570	2,006,965
Voting Modernization Bond Act of 2002	03/05/02	200,000	35,635	-	10,430
Water Conservation Bond Law of 1988 (f)	11/08/88	54,765	4,575	-	-
* Water Conservation and Water Quality Bond Law of 1986 (d)	06/03/86	136,500	5,715	-	230
Water Quality, Supply, and Infrastructure Improvement Act of 2014 (e)	11/04/14	7,465,000	2,913,435	203,960	3,768,970
Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (d)	11/05/02	3,345,000	2,074,570	21,240	164,254
<b>TOTAL GENERAL FUND BONDS</b>		<b>\$162,857,176</b>	<b>\$71,742,195</b>	<b>\$1,031,170</b>	<b>\$26,246,266</b>

(a) A total of not more than \$2.45 billion of commercial paper principal plus accrued interest may be owing at one time. Bond acts marked with an asterisk (\*) are not legally permitted to utilize commercial paper.

(b) SB 1018 (06/27/2012) reduced the voter authorized amount

(c) SB 1018 (06/27/2012) and SB 71 (06/27/2013) reduced the voter authorized amount

(d) AB 1471 (11/04/2014) reduced the voter authorized amount

(e) SB 5 (6/5/2018) reduced the voter authorized amount

(f) AB 92 (6/29/2020) reduced the voter authorized amount

(g) The original voter authorized amount has been reduced in accordance with section 5096.828 of the Public Resources Code of the State of California.

Source: California State Treasurer's Office

**AUTHORIZED AND OUTSTANDING  
SELF LIQUIDATING GENERAL OBLIGATION BONDS  
AS OF JUNE 30, 2024 (DOLLARS IN THOUSANDS)**

ENTERPRISE FUND BONDS (SELF LIQUIDATING)	VOTER AUTHORIZATION DATE	AUTHORIZATION AMOUNT	LONG TERM BONDS OUTSTANDING	COMMERCIAL PAPER OUTSTANDING (a)	UNISSUED
* California Water Resources Development Bond Act	11/08/60	\$1,750,000	\$35	\$ -	\$167,600
Veterans Bond Act of 1986	06/03/86	850,000	\$3,465	-	-
Veterans Bond Act of 1988	06/07/88	510,000	\$6,240	-	-
Veterans Bond Act of 1990	11/06/90	400,000	\$14,335	-	-
Veterans Bond Act of 1996	11/05/96	400,000	\$25,640	-	-
Veterans Bond Act of 2000	11/07/00	500,000	\$114,555	-	-
Veterans Bond Act of 2008 (b)	11/04/08	300,000	\$153,060	-	-
Veterans and Affordable Housing Bond Act of 2018 (CalVet)	11/06/18	1,000,000	\$317,150	-	636,235
<b>TOTAL ENTERPRISE FUND BONDS</b>		<b>\$5,710,000</b>	<b>\$634,480</b>	<b>\$ -</b>	<b>\$803,835</b>

(a) Bond acts marked with an asterisk (\*) are not legally permitted to utilize commercial paper.

(b) AB 639 (10/10/2013) reduced the voter authorized amount

Source: California State Treasurer's Office

**AUTHORIZED AND OUTSTANDING  
LEASE REVENUE BONDS  
AS OF JUNE 30, 2024 (DOLLARS IN THOUSANDS)**

GENERAL FUND SUPPORTED ISSUES (a):	OUTSTANDING (b)	AUTHORIZED BUT UNISSUED
<b>STATE PUBLIC WORKS BOARD ISSUES (BY FACILITY LESSEE)</b>		
Air Resources Board	\$282,135	\$ -
Board of State and Community Corrections	156,325	849,186
California Community Colleges	77,640	-
California Department of Corrections and Rehabilitation	2,984,340	771,853
California Department of Forestry and Fire Protection	214,060	183,058
California Department of Veterans Affairs	204,120	324,933
Department of Developmental Services	62,380	-
Department of Education	96,990	-
Department of General Services	2,151,805	904,920
Department of Public Health	29,835	-
Department of State Hospitals	174,465	40,312
Judicial Council	1,867,115	1,499,577
Other State Facilities	165,305	942,979
Trustees of the California State University	96,805	-
<b>TOTAL STATE PUBLIC WORKS BOARD ISSUES</b>	<b>\$8,563,320</b>	<b>\$5,516,818</b>
<b>TOTAL NON-STATE PUBLIC WORKS BOARD STATE FACILITIES ISSUES</b>	<b>2,580</b>	<b>-</b>
<b>TOTAL GENERAL FUND SUPPORTED ISSUES</b>	<b>\$8,565,900</b>	<b>\$5,516,818</b>

(a) Lease payments that secure each of these issues are payable from the operating budget of the respective lessees. The operating budgets of the lessees are primarily, but not exclusively, derived from the General Fund.

(b) Source: California State Treasurer's Office



**APPENDIX B | THE STATE'S DEBT SERVICE**

**SCHEDULE OF DEBT SERVICE REQUIREMENTS  
FOR GENERAL FUND NON-SELF LIQUIDATING BONDS  
FIXED RATE, AS OF JUNE 30, 2024**

FISCAL YEAR ENDING JUNE 30	CURRENT DEBT		
	INTEREST (a)	PRINCIPAL	TOTAL (b)
2025 (c)	3,514,307,784.02	3,431,675,000.00	6,945,982,784.02
2026	3,374,883,218.68	3,511,710,000.00	6,886,593,218.68
2027	3,202,105,284.20	3,831,980,000.00	7,034,085,284.20
2028	3,032,439,594.13	3,812,285,000.00	6,844,724,594.13
2029	2,860,640,910.38	3,839,560,000.00	6,700,200,910.38
2030	2,673,444,340.34	4,045,185,000.00	6,718,629,340.34
2031	2,495,700,842.80	3,642,215,000.00	6,137,915,842.80
2032	2,323,130,240.30	3,849,450,000.00	6,172,580,240.30
2033	2,146,079,136.55	3,772,155,000.00	5,918,234,136.55
2034	1,981,894,814.02	3,932,600,000.00	5,914,494,814.02
2035	1,714,676,597.08	3,741,555,000.00	5,456,231,597.08
2036	1,534,114,660.17	3,315,875,000.00	4,849,989,660.17
2037	1,371,743,682.67	3,225,935,000.00	4,597,678,682.67
2038	1,202,848,783.90	3,501,950,000.00	4,704,798,783.90
2039	1,066,377,917.62	3,519,015,000.00	4,585,392,917.62
2040	771,985,526.37	2,342,745,000.00	3,114,730,526.37
2041	602,618,350.04	2,179,625,000.00	2,782,243,350.04
2042	490,333,259.41	1,688,660,000.00	2,178,993,259.41
2043	410,079,168.78	1,691,560,000.00	2,101,639,168.78
2044	333,305,318.78	1,016,615,000.00	1,349,920,318.78
2045	297,191,793.78	1,030,535,000.00	1,327,726,793.78
2046	242,467,962.53	1,144,865,000.00	1,387,332,962.53
2047	196,330,881.28	887,500,000.00	1,083,830,881.28
2048	154,060,759.40	900,000,000.00	1,054,060,759.40
2049	123,759,012.52	694,640,000.00	818,399,012.52
2050	96,518,012.52	675,000,000.00	771,518,012.52
2051	66,489,787.52	600,000,000.00	666,489,787.52
2052	52,911,662.51	350,000,000.00	402,911,662.51
2053	37,802,287.50	300,000,000.00	337,802,287.50
2054	15,463,643.75	598,615,000.00	614,078,643.75
<b>TOTAL</b>	<b>\$38,385,705,233.55</b>	<b>\$71,073,505,000.00</b>	<b>\$109,459,210,233.55</b>

(a) The amounts do not reflect any interest subsidy under the Build America Bonds program. Subsidy not pledged to the repayment of debt service.

(b) Includes scheduled mandatory sinking fund payments. Does not include outstanding commercial paper.

(c) Represents the debt service requirements from July 1, 2024 through June 30, 2025.

Source: California State Treasurer's Office

**SCHEDULE OF DEBT SERVICE REQUIREMENTS  
FOR GENERAL FUND NON-SELF LIQUIDATING BONDS  
VARIABLE RATE, AS OF JUNE 30, 2024**

FISCAL YEAR ENDING JUNE 30	CURRENT DEBT		
	INTEREST (a)	PRINCIPAL	TOTAL (b)
2025 (c)	23,205,981.94	38,800,000.00	62,005,981.94
2026	21,666,787.52	67,900,000.00	89,566,787.52
2027	19,250,811.92	13,300,000.00	32,550,811.92
2028	18,842,668.02	13,900,000.00	32,742,668.02
2029	18,310,865.87	19,600,000.00	37,910,865.87
2030	17,435,576.70	109,290,000.00	126,725,576.70
2031	12,774,398.35	116,800,000.00	129,574,398.35
2032	8,574,582.88	167,800,000.00	176,374,582.88
2033	3,385,438.79	120,600,000.00	123,985,438.79
2034	24,743.53	300,000.00	324,743.53
2035	13,900.00	-	13,900.00
2036	13,960.21	-	13,960.21
2037	13,839.74	-	13,839.74
2038	13,900.01	-	13,900.01
2039	13,900.00	-	13,900.00
2040	12,744.93	400,000.00	412,744.93
<b>TOTAL</b>	<b>\$143,554,100.41</b>	<b>\$668,690,000.00</b>	<b>\$812,244,100.41</b>

(a) The estimate of future interest payments is based on rates in effect as of June 30, 2024. The interest rates for the daily and weekly rate bonds range from 2.90 - 4.50%.

(b) Includes scheduled mandatory sinking fund payments. Does not include outstanding commercial paper.

(c) Represents the estimated debt service requirements from July 1, 2024 through June 30, 2025.

Source: California State Treasurer's Office



**SCHEDULE OF DEBT SERVICE REQUIREMENTS  
FOR ENTERPRISE FUND SELF LIQUIDATING BONDS  
FIXED RATE, AS OF JUNE 30, 2024**

FISCAL YEAR ENDING JUNE 30	CURRENT DEBT		
	INTEREST	PRINCIPAL	TOTAL (a)
2025 (b)	22,345,436.29	10,225,000.00	32,570,436.29
2026	22,174,958.79	6,965,000.00	29,139,958.79
2027	21,735,781.29	26,585,000.00	48,320,781.29
2028	21,036,526.91	23,880,000.00	44,916,526.91
2029	20,293,118.15	28,070,000.00	48,363,118.15
2030	19,153,997.52	43,290,000.00	62,443,997.52
2031	17,713,845.02	42,895,000.00	60,608,845.02
2032	16,492,928.77	28,440,000.00	44,932,928.77
2033	15,392,285.02	34,535,000.00	49,927,285.02
2034	14,256,288.77	31,275,000.00	45,531,288.77
2035	13,438,655.02	17,445,000.00	30,883,655.02
2036	12,871,015.02	18,185,000.00	31,056,015.02
2037	12,269,105.02	18,970,000.00	31,239,105.02
2038	11,634,268.14	19,800,000.00	31,434,268.14
2039	11,047,260.01	15,055,000.00	26,102,260.01
2040	10,511,948.76	15,725,000.00	26,236,948.76
2041	9,860,580.01	21,805,000.00	31,665,580.01
2042	9,067,235.01	23,750,000.00	32,817,235.01
2043	8,201,223.76	25,290,000.00	33,491,223.76
2044	7,273,208.76	25,735,000.00	33,008,208.76
2045	6,307,796.88	25,215,000.00	31,522,796.88
2046	5,312,860.00	26,155,000.00	31,467,860.00
2047	4,313,100.00	24,985,000.00	29,298,100.00
2048	3,424,927.50	19,665,000.00	23,089,927.50
2049	2,679,100.00	15,145,000.00	17,824,100.00
2050	2,021,900.00	12,915,000.00	14,936,900.00
2051	1,417,937.50	12,085,000.00	13,502,937.50
2052	854,700.00	9,710,000.00	10,564,700.00
2053	293,837.50	10,685,000.00	10,978,837.50
<b>TOTAL</b>	<b>\$323,395,825.42</b>	<b>\$634,480,000.00</b>	<b>\$957,875,825.42</b>

(a) Includes scheduled mandatory sinking fund payments.

(b) Represents the debt service requirements from July 1, 2024 through June 30, 2025.

Source: California State Treasurer's Office

**SCHEDULE OF DEBT SERVICE REQUIREMENTS  
FOR LEASE-REVENUE DEBT  
FIXED RATE, AS OF JUNE 30, 2024**

FISCAL YEAR ENDING JUNE 30	CURRENT DEBT		
	INTEREST (a)	PRINCIPAL	TOTAL (b)
2025 (c)	413,126,975.79	531,495,000.00	944,621,975.79
2026	387,634,421.21	545,360,000.00	932,994,421.21
2027	360,071,736.46	576,595,000.00	936,666,736.46
2028	331,109,827.40	592,275,000.00	923,384,827.40
2029	301,336,597.23	564,885,000.00	866,221,597.23
2030	273,781,859.07	563,200,000.00	836,981,859.07
2031	246,155,617.81	559,970,000.00	806,125,617.81
2032	217,739,006.42	575,725,000.00	793,464,006.42
2033	188,094,706.36	526,060,000.00	714,154,706.36
2034	161,222,384.63	514,400,000.00	675,622,384.63
2035	134,447,164.47	482,215,000.00	616,662,164.47
2036	112,552,141.02	350,800,000.00	463,352,141.02
2037	96,256,275.02	343,310,000.00	439,566,275.02
2038	81,353,656.27	285,495,000.00	366,848,656.27
2039	68,963,968.77	241,270,000.00	310,233,968.77
2040	58,596,850.02	200,125,000.00	258,721,850.02
2041	51,029,871.89	123,755,000.00	174,784,871.89
2042	45,288,103.14	129,505,000.00	174,793,103.14
2043	39,301,250.02	135,475,000.00	174,776,250.02
2044	32,972,962.52	141,825,000.00	174,797,962.52
2045	26,343,750.02	148,430,000.00	174,773,750.02
2046	19,581,953.14	143,500,000.00	163,081,953.14
2047	12,852,681.26	128,960,000.00	141,812,681.26
2048	7,489,306.26	79,430,000.00	86,919,306.26
2049	3,568,340.63	81,840,000.00	85,408,340.63
<b>TOTAL</b>	<b>\$3,670,871,406.83</b>	<b>\$8,565,900,000.00</b>	<b>\$12,236,771,406.83</b>

(a) The amounts do not reflect any interest subsidy under the Build America Bonds program. Subsidy not pledged to the repayment of debt service.

(b) Includes scheduled mandatory sinking fund payments.

(c) Represents the debt service requirements from July 1, 2024 through June 30, 2025.

Source: California State Treasurer's Office

**ESTIMATED DEBT SERVICE REQUIREMENTS  
ON INTENDED SALES OF AUTHORIZED BUT UNISSUED BONDS  
DURING FISCAL YEARS 2024-25 AND 2025-26 (a)**

FISCAL YEAR ENDING JUNE 30	FY 2024-25 GO SALES DEBT SERVICE	FY 2025-26 GO SALES DEBT SERVICE	FY 2024-25 LRB SALES DEBT SERVICE	FY 2025-26 LRB SALES DEBT SERVICE	TOTAL DEBT SERVICE ALL SALES
2025	48,020,000.00	-	7,888,352.50	-	55,908,352.50
2026	313,606,000.17	70,720,000.00	130,081,241.25	21,425,412.50	535,832,653.92
2027	371,071,333.50	361,504,499.83	130,080,902.50	144,638,213.75	1,007,294,949.58
2028	363,536,666.83	410,461,166.50	130,082,913.75	144,627,877.50	1,048,708,624.58
2029	356,002,000.16	401,912,833.17	130,081,003.75	144,630,650.00	1,032,626,487.08
2030	348,467,333.49	393,364,499.84	130,079,800.00	144,633,837.50	1,016,545,470.83
2031	340,932,666.82	384,816,166.51	130,092,385.00	144,638,522.50	1,000,479,740.83
2032	333,398,000.15	376,267,833.18	130,086,715.00	144,631,610.00	984,384,158.33
2033	325,863,333.48	367,719,499.85	130,081,135.00	144,643,786.25	968,307,754.58
2034	318,328,666.81	359,171,166.52	130,103,227.50	144,630,331.25	952,233,392.08
2035	310,794,000.14	350,622,833.19	130,079,277.50	144,641,663.75	936,137,774.58
2036	303,259,333.47	342,074,499.86	130,102,508.75	144,641,438.75	920,077,780.83
2037	295,724,666.80	333,526,166.53	130,087,292.50	144,623,851.25	903,961,977.08
2038	288,190,000.13	324,977,833.20	130,086,721.25	144,622,432.50	887,876,987.08
2039	280,655,333.46	316,429,499.87	130,074,777.50	144,638,955.00	871,798,565.83
2040	273,120,666.79	307,881,166.54	130,087,256.25	144,604,908.75	855,693,998.33
2041	265,586,000.12	299,332,833.21	102,952,643.75	144,647,487.50	812,518,964.58
2042	258,051,333.45	290,784,499.88	102,948,538.75	98,261,145.00	750,045,517.08
2043	250,516,666.78	282,236,166.55	102,949,046.25	98,264,016.25	733,965,895.83
2044	242,982,000.11	273,687,833.22	102,940,295.00	98,262,498.75	717,872,627.08
2045	235,447,333.44	265,139,499.89	102,939,055.00	98,257,258.75	701,783,147.08
2046	227,912,666.27	256,591,166.56	102,940,293.75	98,253,422.50	685,697,549.08
2047	220,377,999.61	248,042,833.75	102,944,110.00	98,265,303.75	669,630,247.11
2048	212,843,332.95	239,494,500.41	102,949,956.25	98,251,126.25	653,538,915.86
2049	205,308,666.29	230,946,167.07	102,941,643.75	98,255,208.75	637,451,685.86
2050	197,773,999.63	222,397,833.73	102,943,372.50	98,254,288.75	621,369,494.61
2051	190,239,332.97	213,849,500.39	-	98,265,247.50	502,354,080.86
2052	182,704,666.31	205,301,167.05	-	-	388,005,833.36
2053	175,169,999.65	196,752,833.71	-	-	371,922,833.36
2054	167,635,332.99	188,204,500.37	-	-	355,839,833.36
2055	160,100,666.33	179,656,167.03	-	-	339,756,833.36
2056	-	171,107,833.69	-	-	171,107,833.69
<b>TOTAL</b>	<b>\$8,063,619,999.10</b>	<b>\$8,864,975,001.10</b>	<b>\$2,988,624,465.00</b>	<b>\$3,173,510,495.00</b>	<b>\$23,090,729,960.20</b>

(a) Estimated issuance figures above are as of August 1, 2024. Estimated debt issuance amounts are updated throughout the fiscal year. The actual amount of bonds sold will depend on factors such as overall budget constraints, market conditions and other considerations. The state also expects to issue refunding bonds as market conditions warrant. The actual amount of bonds and refunding bonds sold will have a direct impact on the accuracy of the figures presented.

Source: California State Treasurer's Office









**FIONA MA, CPA | CALIFORNIA STATE TREASURER**

901 P Street, Room 411B  
Sacramento, California 95814  
(916) 653-2995  
[WWW.TREASURER.CA.GOV](http://WWW.TREASURER.CA.GOV)

