DEBT LINE

Vol. 44, No. 12, DECEMBER 2025

INSIDE THIS ISSUE

California Public Debt Issuance Data*

+7.5%
Cumulative Change Year over Year**


Cumulative Debt by Month ▸

$27.1 Billion
Refunding Debt Issued


Total Refunding Debt by Year ▸

$91.8 Billion
Total Debt Issued


Total Debt by Year ▸

$82.8 Billion
Long-term Debt Issued


Total Long-term Debt by Year ▸

$6.2 Billion
Proposed Debt


Proposed Debt Issuance ▸

$6.8 Billion
Taxable Debt Issued


Total Taxable Debt by Year ▸

$67.1 Billion
Local Debt Issued


Total Local Debt by Year ▸

$8.9 Billion
Competitive Debt Sales


Competitive vs. Negotiated Debt Sales by Year ▸

* As of 12/17/2025
** End of prior month

Debt Line Calendar ▸

CDIAC

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Debt Line publishes articles on debt financing and public fund investment that may be of interest to our readers; however, these articles do not necessarily reflect the views of the Commission.

Business correspondence and editorial comments are welcome.

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Labeled Debt Issuance Activity: January 1, 2014 through December 31, 2024

Darlene Medrano | Policy Research Unit

Green, social impact, and sustainability are "labels" applied to bonds to indicate that the use of bond proceeds will have measurable environmental or social benefits. Since 2019, as investor interest has increased for bonds that finance projects linked to these benefits, the California Debt and Investment Advisory Commission (CDIAC) has been tracking and reporting on the issuance of labeled debt.

In 2019, analysis of issuance data submitted to CDIAC indicated the emergence of bonds issued with the "green" label as a financing strategy for environmentally beneficial public projects with $9.6 billion borrowed across 78 issues from September 2014 through September 2019. Since then, California's labeled debt issuance practices have evolved significantly, both in volume and the types of labels used to convey the societal benefits expected from the use of bond proceeds.

This report reviews an extended time-series and explores the trends in issuance volume, labeling, and label verification practices. CDIAC examined issuance activity of green, social, and sustainability bonds by California public agencies from January 1, 2014 through December 31, 2024 (Review Period).[1]

Labeled debt reported to CDIAC is classified according to its respective label as *green*, *social impact*, or *sustainability*. *Green* bonds are used to finance environmentally beneficial projects, including energy-efficient buildings, clean energy, and improvements to water and wastewater infrastructure. *Social impact* bonds are used to finance socially beneficial projects, such as affordable housing, food-security, access to education, and healthcare. *Sustainability* bonds are used to finance a combination of both green and social impact projects.

During the Review Period, 335 green, social impact, and sustainability bonds totaling approximately $60 billion were issued by public agencies in California, an amount equal to roughly 7.1% of total California debt issuance for the same period (Figure 1).

LABEL VERIFICATION METHODS

A bond designated as "green," "social," or "sustainability" is labeled as such after passing through a verification method and is intended to communicate to investors that the proceeds will be used to finance projects consistent with the assigned label. Each labeled

[1] Debt issuance data includes all debt reported to CDIAC with a sale date between January 1, 2014, through December 31, 2024, as of October 22, 2025. Local obligation debt issued as part of a Marks-Roos pool is not included.

Figure 1

LABELED DEBT ISSUED BY YEAR, 2014-2024 (AS REPORTED TO CDIAC)
DOLLARS IN MILLIONS

YEAR	TOTAL DEBT VOLUME	LABELED DEBT VOLUME	LABELED DEBT VOLUME AS % OF TOTAL	LABELED DEBT ISSUES
2014	$60,568.0	$300.0	0.5%	3
2015	65,969.9	499.0	0.8	6
2016	77,538.9	1,285.0	1.7	9
2017	84,322.5	3,721.5	4.4	26
2018	60,094.8	1,820.6	3.0	14
2019	73,398.9	4,007.4	5.5	34
2020	87,063.5	5,896.3	6.8	37
2021	103,937.6	11,401.7	11.0	94
2022	67,231.8	8,009.1	11.9	37
2023	67,765.9	11,085.0	16.4	37
2024	91,317.7	11,959.9	13.1	38
TOTAL	$839,209.5	$59,985.4	7.1%	335

bond reported to CDIAC is verified by one of three methods:

- SELF-CERTIFICATION, the issuer applies its own criteria to certify the use of bond proceeds
- SECOND-PARTY OPINION, the use of bond proceeds are certified through an independent review by an external organization
- CLIMATE BONDS INITIATIVE-APPROVED VERIFIER, the use of proceeds are certified to meet labeling standards established by the Climate Bonds Initiative (CBI) by an external CBI-approved organization

During the Review Period, the use of a second-party opinion has emerged as the top label verification method totaling approximately $31.1 billion of labeled debt issued or 51.8% of volume followed by self-certified issues ($14.8 billion) and then those that used CBI-approved verifiers ($14.1 billion) (Figure 2).

In 2021, the use of second-party opinion methods grew significantly in volume from $420 million the prior year to $7.6 billion. Among the purposes, multi-family housing accounted for the highest volume. This trend in 2021 was driven primarily by the California Statewide Communities Development Authority's (CSCDA) Community Improvement Authority which issued $4.2 billion (55.8% of second-party opinion volume).

In 2022, 2023, and 2024, second-party opinion continued to be the dominant verification method used for labeled debt by volume. During this period, power generation and transmission emerged as the leading purpose by volume as a result of issuance by the California Community Choice Financing Authority (CCCFA). By 2023, the CCCFA accounted for 63.0% and in 2024 it represented 66.9% of all second-party opinion verifications.

During the Review Period, nine external organizations provided independent reviews as second-party opinions and CBI-approved verifications, while 55 issuers self-certified their labeled debt.

Although recent research suggests that labeled debt may influence pricing by 3–4 basis points in the United States Municipal bond market,[2] it is unclear if California municipal issuance is benefiting from any pricing differential. In addition, issuers must weigh these potential benefits against the actual costs and administrative burdens of labeling. As noted in CDIAC's **Green Bond Issue Brief**, depending on the chosen method, the process of verification and tracking bond proceeds can require additional staff expertise and resources. For some issues, particularly those of smaller agencies and/or smaller par, these costs may outweigh the benefits, especially if the pricing advantage is modest or uncertain.

LABELED BOND VOLUME AND NUMBER OF ISSUES

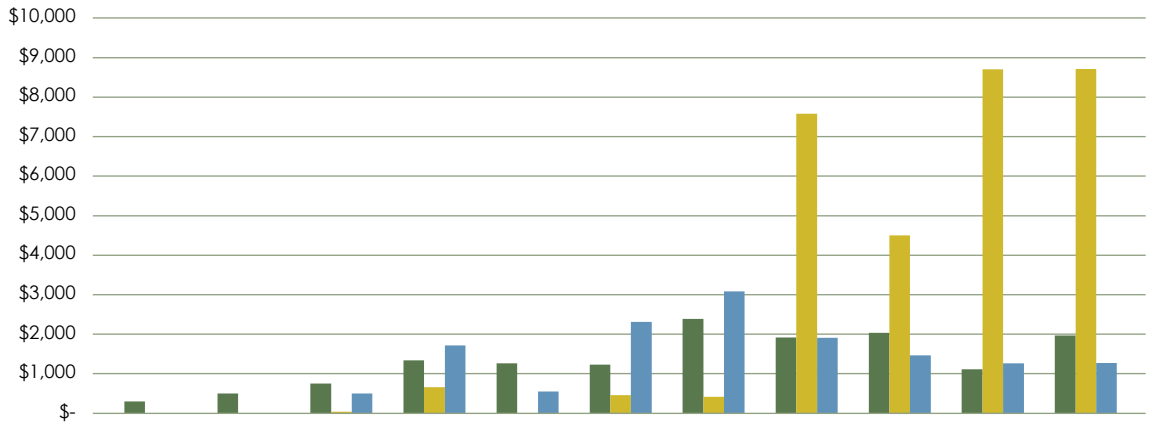
During the Review Period, green bond volume totaled $45.6 billion, social impact volume was $9.5 billion, and sustainability bonds totaled $4.5 billion, equaling 75.9%, 15.8% and 8.2% respectively, of labeled debt issued by public agencies in California (Figure 3).

From 2014 to 2019 labeled debt was primarily labeled green and only five were labeled social during this time.

[2] Daniel G. Garrett, Brian Gibbons, and Mahdi Shahrabi, Who Labels and What's Priced? Evidence from Third-Party ESG Assessments in the Municipal Bond Market, June 25, 2025, SSRN, https://ssrn.com/abstract=5320280.

Figure 2

LABELED DEBT ISSUED BY YEAR & VERIFICATION METHOD, 2014-2024 (AS REPORTED TO CDIAC), DOLLARS IN MILLIONS



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Self-Certified	$300	$499	$750	$1,340	$1,267	$1,232	$2,391	$1,916	$2,038	$1,111	$1,971
Second-Party Opinion			$35	$663		$462	$420	$7,577	$4,504	$8,707	$8,714
CBI-Approved Verifier			$500	$1,719	$553	$2,313	$3,084	$1,908	$1,466	$1,267	$1,275

Figure 3

LABELED DEBT ISSUED BY YEAR & LABEL TYPE, 2014-2024 (AS REPORTED TO CDIAC), DOLLARS IN MILLIONS

YEAR	GREEN ISSUES	GREEN VOLUME	SOCIAL IMPACT ISSUES	SOCIAL IMPACT VOLUME	SUSTAINABILITY ISSUES	SUSTAINABILITY VOLUME	LABELED DEBT ISSUES	LABELED DEBT VOLUME
2014	3	$300.0	0	$-	0	$-	3	$300.0
2015	5	496.0	1	3.0	0	-	6	499.0
2016	9	1,285.0	0	-	0	-	9	1,285.0
2017	26	3,721.5	0	-	0	-	26	3,721.5
2018	13	1,544.4	1	276.2	0	-	14	1,820.6
2019	31	3,793.7	3	213.7	0	-	34	4,007.4
2020	31	5,208.5	4	564.8	2	123.0	37	5,896.3
2021	41	5,751.6	47	5,011.1	6	639.0	94	11,401.7
2022	27	5,396.2	9	2,112.9	1	500.0	37	8,009.1
2023	22	8,612.7	7	619.2	8	1,853.2	37	11,085.0
2024	25	9,441.4	8	686.0	5	1,832.5	38	11,959.9
TOTAL	233	$45,550.8	80	$9,486.8	22	$4,947.7	335	$59,985.4

Starting in 2020 there was an increase of social impact and sustainability labeled debt.

The volume of social impact-labeled debt in 2021 experienced a notable surge, reaching levels nearly on par with green-labeled debt. While not explanatory, these spikes in green and social labeled debt issuance coincided with a low-interest rate environment. Green debt issuance was primarily driven by power generation and transmission purposes following the entrance of the CCCFA into the municipal green bond market, which issued $1.8 billion or 31.9% of green bond volume to procure prepaid long-term supplies of renewable electricity. The huge surge in issues and volume in 2021 with the social impact label was led by the multi-family housing

sector with financing initiatives aimed at addressing affordable housing and community development needs.

In 2022, despite a sizable decline in municipal issuance volume generally, the decline of green bond volume was much less notable, although the number of issues decreased significantly. Green bond issuance volume was buoyed by the largest issuer, CCCFA, with $1.4 billion (25.8%) of volume. The fall-off in issues and volume of social impact bonds was precipitous from its highs in 2021 and accounted for most of the $3.4 billion decline in labeled debt issuance for the year after the California Statewide Communities Development Authority ceased to issue middle-income housing bonds after 2022.

In 2023, 60% growth in green labeled issuance volume was the primary driver in a resurgence of labeled debt volume for the year despite a continued steep decline in social impact bond volume – only 12% of the peak social impact volume in 2021. CCCFA was the primary contributor to green bond issuance growth with issues for prepaid renewable energy totaling $5.4 billion, nearly 63% of green label volume in 2023. Sustainability label volume, while only 22% of green label volume, grew 3.7 times from the prior year, driven by K–12 school facilities projects. This growth in sustainability debt is largely attributable to Los Angeles Unified School District, which began issuing labeled debt only in 2022 and has since issued exclusively under the sustainability label.

Green bond issuance volume in 2024 continued on its upward trend with an increase of 9.6%. Again, the driving force behind the green label sector was CCCFA with $5.8 billion issued, contributing 61.7% of total green label issuance and nearly 42% of the green label sector's growth in 2024. The volume of social impact and sustainability bonds in 2024 was remarkably similar to that of 2023. Social impact volume remained in a trough from the steep declines seen in 2021 and 2022, while sustainability bond issuance maintained its "stepped-up" volume levels from the same period. While the pursuit of the green bond label endures, and is in fact growing, label volume data may be signaling a trend to move away from the social impact label in favor of sustainability. As is seen with CCCFA, a small number of large, labeled debt issues can swing the data significantly. Continued observance of these short-term movements is warranted before a trend in labeling practices can be substantiated.

GREEN, SOCIAL IMPACT, AND SUSTAINABILITY BONDS BY COUNTY

Regionally, issuers in 37 counties and the State of California have issued green, social impact, or sustainability bonds in the Review Period.[3] The county with the largest cumulative volume of green, social impact and sustainability bond financing was Los Angeles County with over $15.6 billion issued from 2014-2024 (Figure 4). The counties of San Francisco and San Diego followed with the next-highest amounts of volume from 2014-2024, with over $9.0 billion and $6.6 billion issued, respectively. The State of California had the fourth-highest volume with approximately $5.3 billion in issuance. Alameda County ranked fifth with approximately $4.5 billion in issuance.

In 2024, the five counties that issued the highest volume of labeled debt were Santa Clara ($2.4 billion), Los Angeles ($2.28 billion), San Diego ($2.27 billion), San Francisco ($1.5 billion), and San Mateo ($1.0 billion) (Figure 5).

ADDITIONAL RESOURCES

The green bond market continues to develop and evolve, as does global interest in labeled-bond issuance and investment. CDIAC will continue monitoring these trends and future developments in the municipal market.

Total labeled debt by county has also been updated in a dynamic map that provides more detail about the top issues by volume through December 2024. The map can be accessed on the **Climate Resources webpage** on CDIAC's website.

To learn more about green bond issuance refer to CDIAC's webinar series, "**Municipal Green Bond Disclosure: Investor Guidance and Issuer Perspective**" and "**Green Bonds in the Golden State: A Practical Path for Issuers**." CDIAC has also published additional resources for public agencies related to ESG and climate change on CDIAC's **Climate Resources webpage**, including the 2019 report, **Socially Responsible Investing: What Does it Mean and What is the Risk?**, as well as the 2020 report, **Climate Change Disclosure Among California Enterprise Issuers**.

[3] Labeled debt volume issued by multi-jurisdiction public agencies in California is assigned to the county in which the project(s) are located.

Figure 4

LABELED DEBT ISSUED BY COUNTY, 2014-2024 (AS REPORTED TO CDIAC), DOLLARS IN MILLIONS

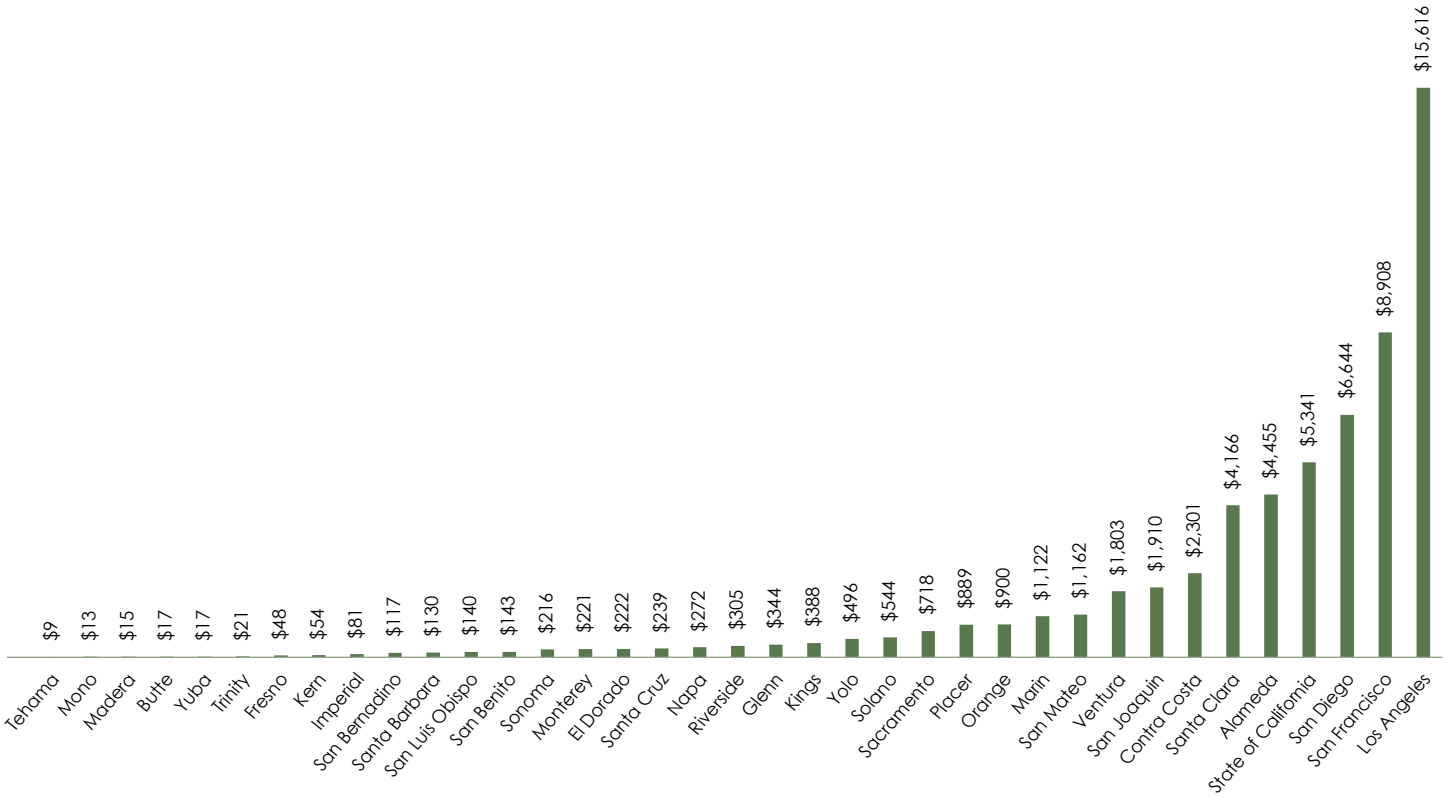


Figure 5

LABELED DEBT ISSUED BY COUNTY AND TYPE, 2024 (AS REPORTED TO CDIAC), DOLLARS IN MILLIONS

COUNTY	GREEN VOLUME	SOCIAL IMPACT VOLUME	SUSTAINABILITY VOLUME	LABELED DEBT VOLUME
Santa Clara	$2,363.6			$2,363.6
Los Angeles	1,031.2	150.0	1,100.0	2,281.2
San Diego	1,883.7	67.1	320.0	2,270.8
San Francisco	970.8	207.5	281.5	1,459.8
San Mateo	978.5		21.5	1,000.1
Ventura	762.1			762.1
Alameda	385.1	67.1		452.2
State of California	273.0	141.0		414.0
Sacramento	313.7		21.5	335.2
Placer	313.7			313.7
Contra Costa	135.1		21.5	156.6
Santa Cruz	28.0	26.7		54.7
Fresno	2.8		45.0	47.7
Monterey		26.7		26.7
Solano			21.5	21.5
TOTAL	$9,441.4	$686.0	$1,832.5	$11,959.9

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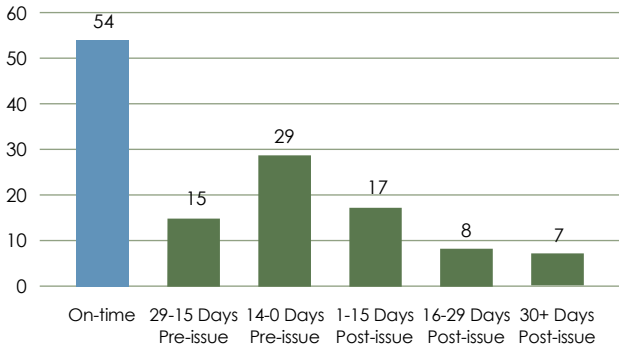
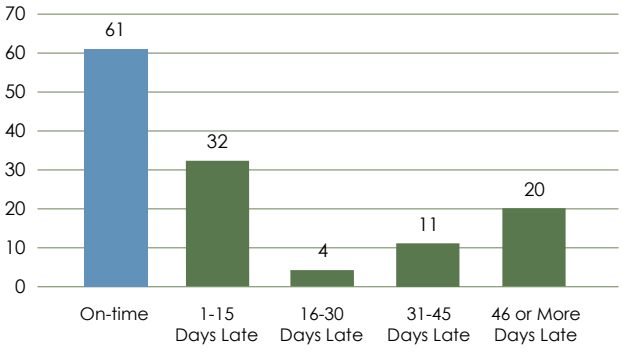
TIMELINESS OF SUBMITTAL OF REPORTS

REPORTS OF PROPOSED DEBT ISSUANCE (RPDI)[1]
RECEIVED OCTOBER 2025



REPORTS OF FINAL SALE (RFS)[2]
RECEIVED OCTOBER 2025



DATA UNIT ACTIVITY NOVEMBER 2025

- ✓ RECEIVED AND PROCESSED **110** RPDI
- ✓ RECEIVED AND PROCESSED **137** RFS
- ✓ RECEIVED **237** MARKS-ROOS YEARLY FISCAL STATUS REPORTS
- ✓ RECEIVED **43** MELLO-ROOS YEARLY FISCAL STATUS REPORTS
- ✓ RECEIVED **308** ANNUAL DEBT TRANSPARENCY REPORTS*

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[1] California Government Code Section 8855(i) states that the issuer of any proposed debt issue of state and local government shall, no later than 30 days prior to the sale of any debt issue, submit a report of proposed issuance to the commission by any method approved by the commission.

[2] California Government Code Section 8855(j) states that the issuer of any debt issue of state or local government, not later than 21 days after the sale of the debt, shall submit a report of final sale to the commission by any method approved by the commission.

* As of 10/1/2025 a total of 954 Annual Debt Transparency Reports have been submitted for the FY 2024-25 reporting period and 382 have been submitted for prior reporting periods.

2025 CDIAC *Bond Buyer* Pre-conference Summary

Tara Dunn | Policy Research Unit

On November 3, the California Debt and Investment Advisory Commission (CDIAC) hosted its 24th annual pre-conference to *The Bond Buyer*'s 2025 California Public Finance Conference in San Diego. CDIAC's Pre-conference, "***Finance Strategies to Weather the Storm of Childhood Assault Claims***," featured three educational sessions about the fiscal impact of AB 218-related childhood sexual assault claims on California public agencies, highlighting multibillion-dollar liabilities, strained insurance systems, and potential public finance strategies to manage the crisis.

SESSION 1: MAGNITUDE OF THE FISCAL STORM: POTENTIAL EFFECTS AND THE AGENCIES IMPACTED

Michael Fine, Chief Executive Officer of the Fiscal Crisis & Management Assistance Team (FCMAT) and Helen Cregger, Vice President and Senior Credit Officer of Moody's Investor Services, started the program by discussing significant financial and policy implications for California public agencies—particularly school districts—stemming from Assembly Bills 218 and 452, which expanded the statute of limitations for childhood sexual assault claims. As a result of these changes, FCMAT was required to submit **a report to the Legislature** on the fiscal implications for public agencies and provide recommendations which were finalized into four themes: data collection, financing mechanisms, creation of a vic-

tims' compensation fund, and prevention strategies. Key financing recommendations in the report included amending Government Code provisions to allow more flexible repayment terms related to judgement obligation bonds, enabling pre-judgment validation proceedings, and expanding access to state financing tools and expanding the use of state emergency apportionments.

Mr. Fine stated that the $2–$3 billion estimate for school district liability included in the FCMAT report is likely understated. He noted that many claims date back to the 1940s–1970s, predating modern insurance structures, leaving districts fully exposed. He also highlighted that AB 218's claims continue to be filed and that AB 452 further eliminated the statute of limitations for claims made on future incidents, making prevention a critical long-term solution. Fine stressed that districts are already experiencing financial strain from rising insurance premiums, retroactive assessments, and depleted reserves. He also noted that although "*the local impacts vary whether it's an insured, an uninsured, or a non-insured claim, but that all school districts and all public agencies, whether they're faced with a claim or not, are feeling the financial burden*." He shared examples of large and small districts facing multimillion-dollar settlements, including one that had to sell a school site to cover costs. He also clarified that FCMAT's report does not advocate limiting victim rights or tort reform but instead offers a roadmap for financing obligations while preserving educational services.

Helen Cregger confirmed that no credit rating downgrades have occurred solely due to AB 218, but the issue remains a credit risk. She stated judgment obligation bonds (JOBs) have emerged as a tool for spreading settlement costs over time, as seen in Los Angeles County and LAUSD. She clarified that JOBs are not backed directly by property taxes and must be repaid from general funds, which can strain operating budgets. She also noted that AB 218-related liabilities could become a standard disclosure item, similar to cyber or environmental risks, and supported the FCMAT recommendation for a statewide claims database to improve transparency.

Ms. Cregger highlighted that California school districts currently have strong liquidity, bolstered by COVID-era funding, but are facing long-term pressures from declining enrollment, slower revenue growth, and rising fixed costs. She noted that while general obligation (GO) bonds benefit from statutory protections and are rated higher, JOBs are aligned with issuer ratings due to their reliance on general fund resources. As a result, issuers must remain vigilant about reserve levels, liquidity, and long-term debt capacity to maintain credit stability and investor confidence. Overall, the presentation underscored the urgent need for local agencies to plan for long-term liability management, advocate for legislative refinements, and maintain fiscal discipline to preserve credit quality and service delivery.

SESSION 2: INSURANCE: WEAKNESS IN THE FRONT LINE OF FISCAL DEFENSE

During this session, Dave George, Chief Executive Officer of the Schools Excess Liability Fund (SELF), Michael Pott, Chief Operating Officer/Chief Legal Counsel of Public Risk Innovation, Solutions, and Management (PRISM) and John Chino, Senior Vice President of Arthur J. Gallagher & Co, provided a critical overview of the evolving risk landscape for California public entities, particularly in the context of liability exposure related to sexual abuse claims. They emphasized that this landscape has fundamentally shifted, with significant implications for fiscal planning, insurance strategy, and long-term debt capacity. Mr. George and Mr. Pott began by highlighting the foundational role of joint power authorities (JPAs) in risk financing and pointed out that JPAs are not insurance providers but rather risk pools backed by reinsurance tailored to public agency needs. The speakers spoke about the impacts of AB 218 and AB 452 that have led to increased litigation and a surge in high-value litigation with some judgements, known as "nuclear verdicts", exceeding $100 million. They mentioned that some of these cases lack documentation or witnesses due to the length of time since the abuse occurred, making defense against such claims difficult and pushing public entities toward costly settlements. Insurance archaeology, locating decades-old policies, has emerged as a cottage industry.

Litigation funding from third parties like private equity firms has inflated some claim values and undermined legal ethics. As Mr. Pott noted, "*We're now providing generational wealth through jury verdicts,*" and without legislative intervention, these trends will continue to escalate. John Chino reinforced the urgency, stating, "*...capacity available to risk pools went down by about 23–24%. At the same time, the cost of coverage at acceptable limits went up 131%... the real cost for them [risk pools] would be about a 400% increase in just a five-year period*." As a result, these developments have strained both historical and current insurance structures, with many public entities facing retroactive and prospective cost pressures, including actuarial inflation and reduced insurance capacity.

John Chino stated that 33 states have enacted similar revival statutes, creating a national insurance crisis. Mr. Chino warned of a hardening insurance market, with reduced limits and increased underwriting scrutiny, particularly for sexual abuse and molestation liability. Pools such as SELF and PRISM are now forced to syndicate insurance coverage across 13–15 carriers for what used to be a single-layer policy. For California agencies, this evolving risk environment means:

- Higher insurance costs and reduced coverage may strain general funds and reserves.
- Unfunded liabilities from legacy claims could impact credit ratings.
- Loss of indemnification for vendors/contractors is shifting more liability to public entities.
- Prevention and legislative reform are critical to long-term risk mitigation.

These trends affecting credit ratings, debt affordability, and long-term fiscal planning, make it essential for California public agencies to integrate risk financing strategy into their capital planning and debt issuance frameworks to maintain fiscal resilience.

SESSION 3: PAYMENT STRATEGIES FOR SETTLING CLAIMS AND PAYING JUDGMENTS

The third and final session, featured Donald Field, Public Finance Partner at Orrick, Herrington & Sutcliffe (Orrick), Karma Pemba, Managing Director with RBC Capital Markets, and Michael Fine of FCMAT providing a comprehensive overview of JOBs as a financing tool for California public agencies to manage involuntary liabilities, particularly those arising from AB 218 childhood sexual assault litigation.

The financial burden of California public agencies facing dozens, hundreds, or even thousands of these claims has led many of them to explore JOBs to manage and amortize these costs. JOBs are issued by a state or local government to pay involuntary liabilities arising out of tort or otherwise imposed by law.[1] JOBs allow local governments to amortize large, court-imposed financial obligations over time, rather than paying them in a single fiscal year. These bonds are structured as unsecured obligations payable from general funds and legally valid without voter approval under the "obligations imposed by law" exception to California's constitutional debt limit.

As a financing approach, JOBs help preserve essential public services and mitigate budgetary disruption. As Mr. Field explained, "*the policy decision is to look at the impacts to programs and services of a large liability,*" and determine whether amortization through JOBs is more prudent than immediate payment. He also stressed that if a local government is considering JOBs, they really need to review their debt issuance policy to make sure it allows for the issuance of JOBs.

Mr. Field pointed out that key challenges with JOBs are their large volume and timing. Unlike traditional tort cases that result in a single judgment, AB 218 claims often arrive in waves over time. To address this, Field described a three-step financing strategy:

1. Consolidated Validation Action to pre-authorize financing structures for a defined set of cases.
2. Interim Financing through a credit facility to pay judgments as they arise.
3. Long-Term Takeout Financing via public bond issuance to refinance the interim debt.

This structure allows agencies to manage litigation without disrupting financing plans and reduces the need for multiple public offerings. As Field emphasized, "*getting with your finance team early on in the process and making sure the financing team understands what the litigation strategy is... really needs to be a coordinated effort.*"

Karma Pemba added that negotiated bond sales are often preferable for JOBs due to their complexity and the need for extended marketing to investors, however some agencies may be required to use a competitive sale method based on their current debt management policy. He noted that investor interest in JOBs tends to come from bond funds and insurance companies, with limited participation from separately managed accounts (SMAs), especially for shorter maturities. Some local agencies may consider lease financing as an alternative to JOBs, which avoids the need for a validation action and relies on a more established exception to the constitutional debt limit; however, this approach may be more expensive due to appropriation and abatement risks, and it also requires encumbering assets that could otherwise be used for future capital needs.

Mr. Field emphasized that agencies must carefully evaluate their disclosure obligations related to AB 218 claims, both in financial statements and in bond offering documents. He also noted that even agencies with minimal claims or claims already paid by insurance have included disclosure to address heightened public and investor scrutiny, noting that "*litigation that is going on needs to be discussed and vetted with not only your audits, but your disclosure counsel*" to ensure compliance with GASB standards (No. 10 and No. 56) and securities laws.

Mr. Fine reminded agencies that state receivership is a last-resort option for school districts and community colleges, not a preferred solution. In summary, considerations for California public agencies exploring financing strategies include:

- JOBs as a viable tool to manage large involuntary liabilities without immediate budgetary impact.
- Review debt issuance policies to incorporate the issuance of judgment obligation bonds.
- Early coordination between litigation counsel, finance staff, and bond counsel is essential.
- Validation actions are required for JOBs issued by debt-limited entities and documents must be carefully structured to allow flexibility.
- Alternative financing options (e.g., lease financing, settlements with installment payments) should also be evaluated.
- Disclosure obligations under GASB and securities laws must be addressed proactively.
- Receivership or state emergency loans should be considered **only** after all other options are exhausted.

LUNCHEON KEYNOTE

During the luncheon keynote, California State Treasurer Fiona Ma offered a wide-ranging update on the state's fiscal health, economic outlook, and the initiatives of the Treasurer's Office. Treasurer Ma highlighted California's resilience, noting that despite post-COVID economic challenges and global trade tensions, the state remains strong as the fourth-largest economy in the world. She acknowledged the gravity of the issues discussed during the morning sessions, particularly the financial implica-

[1] Donald S. Field, *An Introduction to Judgment Obligation Bonds in California: Financing Tort and Other Involuntary Obligations* (San Francisco: Orrick, Herrington & Sutcliffe LLP, 2025), 1.

tions of AB 218, and praised Michael Fine's leadership in seeking solutions to the crisis.

Deputy Treasurer John Sheldon followed with remarks focused on the Treasurer's Office operations and the broader municipal finance landscape. He echoed support for the FCMAT report and its recommendations, particularly the need for flexible repayment terms and the potential for a statewide victims' compensation fund. Sheldon drew parallels between the unpredictability and cost of the AB 218 crisis and wildfire-related liabilities, emphasizing the importance of structured, transparent financing solutions.

MORE CDIAC PROGRAMMING!

CDIAC in partnership with the California Municipal Treasurers Association will host **Fundamentals of Public Funds Investing**, January 28 and 29, 2026, in Costa Mesa, California. CDIAC also has virtual, on-demand trainings about pension fundamentals and management strategies as well as other resources for elected officials and public agency staff available in its **Education Portal**.

A full list of upcoming seminars and training is available on the **CDIAC Education webpage**. We hope you will consider joining us for our upcoming events in the future.

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2025 Debt Line Index

TITLE	MONTH
Tender Offer Refunding of Municipal Debt in California, 2023 - 2024	January
Chat Data Portal Tips	January, February, March, April, May, June, July, August, September, October, November, December
Annual Debt Transparency Report Reminder: SB 1029 Reporting Requirements	January, October, November, December
Regulatory Activity Calendar and Timeline of Activity Related to the Financial Data Transparency Act of 2022 (FDTA) S.4295	January, February, March, April, May, June, July, August, September, October, November, December
Top Municipal Financing Team Participants: Calendar Year 2024	February
Annual Debt Transparency Report - Report Submission Status	February
CDIAC Staff Announcements	January, April, September
Comparison of Public Agency Debt Issuance in California: 2023 vs. 2024	March
Mello-Roos YFS Report Summary for RY 2023–24	March
Review of AB 2300 Requirements	March
State and Federal Legislation Affecting State and Local Governments	March, April, May, June, July, August, September, October
Marks-Roos YFS Report Summary for Reporting Year 2023–24	April
Comparison of Public Agency Short-Term Debt Issuance Activity in California	May
Annual Debt Transparency Report Summary for Reporting Year 2023–24	June
Introducing Debt Line's New Look!	July
Top Municipal Financing Participants: First Six Months of Calendar Year 2025	July
Annual Issuance Reporting Requirements	July, September
Comparison of the First Six Months of Public Agency Debt Issuance Activity: 2024 VS. 2025	August
New! GFOA Best Practice for Tender Refunding of Municipal Bonds	August
Issuance for Educational Facilities in California: January 1, 2021 through June 30, 2025	September
New Publication Announcement - Recommended Lease Financing Practices for California Public Agencies	September
Summary of Chaptered Bills: First Year of the 2025-2026 Legislative Session	October
Credit Enhancement in California Municipal Debt Issuance: 2020–2025	November
Annual Debt Transparency Report Reminder: SB 1029 Reporting Requirements	November, December
2025 CDIAC Bond Buyer Pre-conference Summary	December
Labeled Debt Issuance Activity: January 1, 2014 through December 31, 2024	December
2025 Debt Line Index	December

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Chat Data Portal Tips INSIDER GUIDANCE ON SUBMITTING DATA TO CDIAC

EDITABLE REPORTS

Registered users of CDIAC's Data Portal have a **Quick Retrievals** button on their dashboard to view editable reports for a specific CDIAC number in addition to viewing the Reporting History or Uploaded Documents that have been filed. To use this feature:

1. Select an approved **Issuer**
2. Under the **Quick Actions** section of the Dashboard - click **Quick Retrievals**
3. Enter the **CDIAC number** associated with the Issuer selected
4. Choose **Editable Reports**
5. Click **Search**

A Report Access View will display a list of editable ongoing annual reports that have been filed in Data Portal and also displays the precedent Report of Final Sale for the CDIAC number entered. The information provided in the Report Access View includes: the type of report, the status of that report, the fiscal year (FY) end date (applicable to ongoing reports), and a link to edit the report, if editing is authorized.

ICYMI: CDIAC'S BATCH FUNCTION FOR THE ANNUAL DEBT TRANSPARENCY REPORT (ADTR)

Registered users of CDIAC's Data Portal can now be *pre-approved* to use an ADTR Batch function, which allows users to compile ADTR data offline and upload current or prior-year outstanding reports in bulk. With CDIAC's Batch function, users are now able to submit dozens – or even hundreds – of ADTRs to CDIAC all at once.

Users build their Batch upload by selecting the reporting year and then one or more issuers from their list of pre-approved issuers. Lastly, users select the CDIAC numbers for which they want to submit an ADTR. After making these selections, users then download two prepopulated spreadsheets that are preformatted to accept new ADTR data. Once the new data has been entered into the CSV files, those files may be uploaded to CDIAC's Data Portal. The Data Portal dashboard will then display "Submitted" for every successfully uploaded ADTR that meets the required data validity standards.

There are a few notable restrictions to using CDIAC's Batch feature. These restrictions include:

1. First-year ADTRs must be filed directly through the Data Portal and are **not** eligible for submittal through the Batch application. This is because a direct filing in the Data Portal is required for the first ADTR to set up fund categories for the ADTRs for all subsequent years.
2. Each record (CDIAC number) cannot have more than three issuance authorizations identified in the Report of Final Sale (RFS).
3. The Batch application will not accommodate ADTRs with more than 10 expenditure types established for any one fund category.
4. Only ADTRs from the same, single reporting year may be submitted per batch. If an ADTR for a CDIAC # is past due for multiple reporting years, only the oldest past due report can be filed in a single batch. Subsequent past due reports may be submitted in subsequent reporting year batch uploads.
5. Users must first be pre-approved to use CDIAC's Batch application.

Please contact CDIAC at CDIACIssuance@treasurer.ca.gov if you would like to receive the required Batch application training and to be added to the list of pre-approved ADTR Batch users. DL

Regulatory Activity Calendar

OCTOBER 2025

14 The Municipal Securities Rulemaking Board (MSRB) released Informational Notice 2025-06 to alert issuers that they can use the MSRB's EMMA website to post preliminary official statements (POSs) and provide free access to investors and the public. To begin submissions, issuers can create or update accounts via MSRB Gateway and access detailed instructions for posting POSs on EMMA.

30 The MSRB posted Informational Notice 2025-07 seeking volunteers for its Compliance Advisory Group for Fiscal Year 2026 to provide insights and expertise on enhancing compliance with MSRB rules and developing compliance resources. Interested individuals should submit their interest by December 1, 2025, with selected members announced early in 2026.

NOVEMBER 2025

3 The MSRB released a Request for Comment 2025-08 about proposed amendments to Rule D-15, which defines "Sophisticated Municipal Market Professional" (SMMP). The amendments aim to modify the asset threshold for municipal entities to qualify as SMMPs and exempt SEC-registered investment advisers from certain affirmation requirements. Comments are due February 2, 2026. December 2025

DECEMBER 2025

1 Comments due on the Securities and Exchange Commission's Concept Release on Residential Mortgage-Backed Securities Disclosures and Enhancements to Asset-Backed Securities Registration to amend the asset-level disclosure requirements for residential mortgage-backed securities and revise generally the definition of "asset-backed security" and/or other definitions in Regulation AB. The Commission is considering these steps to expand issuer and investor access to the registered asset-backed securities markets and facilitate enhanced capital formation and liquidity while maintaining appropriate investor protections. DL

TIMELINE OF ACTIVITY RELATED TO THE FINANCIAL DATA TRANSPARENCY ACT OF 2022 (FDTA) S.4295

JUNE 2023

30 The SEC filed its first Semi-Annual Report to Congress Regarding Public and Internal Use of Machine-Readable Data for Corporate Disclosures required under the Financial Data Transparency Act (FDTA). June 2023 FDTA Report.

DECEMBER 2023

5 The SEC filed its Semi-Annual Report to Congress Regarding Public and Internal Use of Machine-Readable Data for Corporate Disclosures required under the Financial Data Transparency Act of 2022 (FDTA). December 2023 FDTA Report.

JUNE 2024

5 The SEC filed its Semi-Annual Report to Congress Regarding Public and Internal Use of Machine-Readable Data for Corporate Disclosures required under the Financial Data Transparency Act of 2022 (FDTA). June 2024 FDTA Report.

AUGUST 2024

2 The SEC along with 8 federal agencies proposed joint data standards under the Financial Data Transparency Act of 2022 that would establish technical standards for data submitted to certain financial regulatory agencies.

22 Notice of proposed rulemaking to establish joint data standards was published in the *Federal Register*, comments can be submitted using the SEC's online form and are available to view on the SEC's website.

OCTOBER 2024

21 Initial due date for comments to the SEC on the proposed joint data standards under the FDTA that would establish technical standards for data submitted to certain financial regulatory agencies. Comments submitted as well as meeting summaries held with SEC officials between September 2024–February 2025 are available to view on the SEC's website.

DECEMBER 2024

5 The SEC filed its Semi-Annual Report to Congress Regarding Public and Internal Use of Machine-Readable Data for Corporate Disclosures required under the Financial Data Transparency Act of 2022 (FDTA). December 2024 FDTA Report.

JUNE 2025

17 The SEC filed its Semi-Annual Report to Congress Regarding Public and Internal Use of Machine-Readable Data for Corporate Disclosures required under the Financial Data Transparency Act of 2022 (FDTA). June 2025 FDTA Report.

END OF 2025

Final joint data standards established under the FDTA.

END OF 2026

SEC adoption of rules to apply final municipal market data standards under the FDTA.

UNKNOWN

MSRB adoption of rules to apply final joint data standards under the FDTA.

SAVE THE DATE

CDIAC Webinars, Seminars, and Conferences

JANUARY 2026

JANUARY 28–29, 2026

Fundamentals of Public Funds Investing
Costa Mesa, CA
CDIAC event page

Other Webinars, Seminars, and Conferences

FEBRUARY 2026

FEBRUARY 12, 2026

Local Agency Investment Fund
2026 LAIF Webinar
For more information, monitor the
LAIF website for updates

FEBRUARY 24–27, 2026

California Society of
Municipal Finance Officers
Annual Conference
Palm Springs, CA
For more information,
visit CSMFO's event page

FEBRUARY 25–27, 2026

California's Coalition for
Adequate School Housing
47th Annual Conference on School Facilities
Sacramento, CA
For more information,
visit CASH's event page

MARCH 2026

MARCH 11–13, 2026

Government Investment Officers Association
2026 GIOA Conference
Las Vegas, NV
For more information,
visit GIOA's event page

MARCH 31–APRIL 2, 2026

California Association of
School Business Officials
Annual Conference &
California School Business Expo
San Diego, CA
For more information,
visit CASBO's event page

APRIL 2026

APRIL 7–8, 2026

California Special Districts Association
2026 Special Districts Legislative Days
Sacramento, CA
For more information,
visit the CSDA event page

APRIL 8–10, 2026

National Association of Bond Lawyers
The Essentials 2026
Austin, TX
For more information, visit the
NABL Conference Calendar

APRIL 28–MAY 1, 2026

California Municipal Treasurers Association
2026 Annual Conference
Anaheim, CA
For more information,
visit the CMTA event page

JUNE 2026

JUNE 9–12, 2026

California Association of County
Treasurers and Tax Collectors
2026 Annual Conference and Vendor Show
Hollywood, CA
For more information,
visit the CACTTC event page

JUNE 15–18, 2026

National Association of State Treasurers
Treasury Management Training Symposium
Oklahoma, CA
For more information,
visit the NAST Conference Calendar

JUNE 28–JULY 1, 2026

Government Finance Officers Association
120th Annual Conference
Chicago, IL
For more information,
visit the GFOA event page

AUGUST 2026

AUGUST 4–7, 2026

California Association of Sanitation Agencies
2026 Annual Conference
Napa, CA
For more information,
visit the CASA event page

AUGUST 16–19, 2026

Association of Public Treasurers
of the United States and Canada
60th Annual Conference
Grand Rapids, MI
For more information,
visit the APTUSC event page

AUGUST 24–27, 2026

California Special Districts
Association Annual Conference
Palm Desert, CA
For more information,
visit the CSDA event page

SAVE THE DATE

AUGUST 25–28, 2026

National Association of State Auditors, Comptrollers and Treasurers
NASACT 2026 Annual Conference
Atlanta, GA
For more information,
visit the NASACT event page

SEPTEMBER

SEPTEMBER 27–30, 2026

National Association of State Treasurers
2026 Annual Conference
Detroit, MI
For more information,
visit the NAST event page DL

Organizations may submit information on future educational seminars, meetings, or conferences by emailing cdiac_education@treasurer.ca.gov. Publication of announcements is subject to space limitations.

FUNDAMENTALS OF PUBLIC FUNDS INVESTING

JANUARY 28–29, 2026 | COSTA MESA, CALIFORNIA

For more information on CDIAC's educational programming and to register for upcoming events, visit: **www.treasurer.ca.gov/cdiac/education/**

Annual Debt Transparency Report Reminder: SB 1029 Reporting Requirements

All debt issues reported to CDIAC on a Report of Final Sale filed on or after January 21, 2017, are "ADTR reportable." An ADTR must be submitted to CDIAC by January 31st of each year following the end of the July 1 to June 30 reporting period during which the debt was outstanding. For the purpose of classifying issues as outstanding in any given reporting period, CDIAC uses the reported settlement date as the date the debt is initially outstanding.[1] The next ADTR filing deadline is **January 31, 2026**.

LIST OF ADTR REPORTABLE ISSUES

The CDIAC Data Collection and Analysis Unit (Data Unit) has posted a list on CDIAC's reporting page of all ADTR-reportable debt identified in the CDIAC database for the reporting period beginning July 1, 2024, and ending June 30, 2025. The list contains the following information:

- CDIAC Number
- Issuer
- Project
- Debt Type
- Principal
- Issue Date
- Purpose of Issuance
- Year of Issue (Fiscal Year Ending 6/30)
- Most Recent Prior Year ADTR Received (Fiscal Year End)

Access to the Data Portal and all reporting instructions and reporting requirements are available on the CDIAC website under "Data Portal, Regulations & Guidance, and Fees" at www.treasurer.ca.gov/cdiac/reporting.asp.

Requests for filing assistance or additional information can be made by email to the Data Unit at CDIAC_issuance@treasurer.ca.gov or by contacting the Data Unit at (916) 653-3269. DL

[1] "Settlement" means the transfer of the assets or rights-to-use from Creditor to Issuer in exchange for delivery of the instruments or evidence of indebtedness from the Issuer to Creditor (CCR Title 4, Division 9.6, §6000). The date of settlement as such generally coincides with the delivery date of bonds, or the closing date of a lease, loan, or similar debt transaction.